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Regular Session of 1958

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in the One Hundred and Sixty-Sixth
Year of the Commonwealth

Begun on the Seventh Day of January, 1958, and Adjourned
Sine Die on the Twenty-First Day of March, 1958

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TUESDAY, MARCH 11, 1958

FIFTY-FIRST LEGISLATIVE DAY

The House was called to order by Representative Hobart Rayburn, presiding temporarily in place of Speaker Weintraub.

Invocation by the Reverend Robert J. Laughlin, of the First Presbyterian Church, of Frankfort.

The roll was called. All members present except Baumgardner, Buchanan, Buckner, Duff, Everett, Farmer, Gay, Gullette, Hart, Hodges, Howard, H. Nick Johnson, Huston Johnson, Miller, Reed, Russell Reynolds, Richards, Whitehead.

Absent members granted leaves of absence on motion of Representative Chaudoin.

Reading of the Journal for March 10 dispensed with and the same approved on motion of Representative Isler.

Calendar

HB 376, HB 411, HB 403, HB 439, HB 225, HB 504, HB 354, HB 605, HB 30, HB 491, HB 438, HB 467, HB 257, HB 343, HB 560, HB 601, HB 394, HB 330, HB 576, HB 435, HB 496, HB 315, HB 554, HB 575, HB 495, HB 478, HB 494, HB 536, HB 590, HB 314, HB 237, HB 194, HB 563, HB 408, HB 506, HB 405, HB 604, HB 570, HB 431, HB 571, HB 487, HB 291, HB 374 ordered read at length for the second time. Ordered placed in the Orders of the Day.

Orders of the Day

HB 208 taken from Orders of the Day on recommendation of the Rules Committee. Representative Weintraub moved that it be read for the third time and placed on passage. Agreed. Representative Weintraub moved the Previous Question. Agreed.

HB 208 read for the third time.

On roll call, the vote was: Yeas, 71—Anderson, Arnold, Bach, Bartley, Barton, Breckinridge, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Farmer, Fields, Finney, Fitzpatrick, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hopkins, Isler, Kincer, Lovelace, Lowman, Lyon, McReynolds, Mackey, Newberry, Ockerman, Parrish, Peace, Ratcliffe, Rausch, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Tinsley, S. R. Thomas, Walsh, Weintraub, Wells, Whitehead, Willen, Wilson, Wirsch, Young; Nays, 0.

HB 208 was passed and the title agreed to.

HB 216 taken from Orders of the Day on recommendation of the Rules Committee. Representative Weintraub moved that it be read for the third time and placed on passage. Agreed. Representative Weintraub moved the Previous Question. Agreed.

On roll call, the vote was: Yeas, 53—Anderson, Arnold, Bartley, Barton, Breckinridge, Burke, Burress, Bush, Casey, Chaudoin, Combs, M. W. Cook, Bill Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Fields, Finney, Fitzpatrick, Ford, Gay, Hahn, Hale, Haley, Hart, Hinkle, Hopkins, Lovelace, Lyon, McReynolds, Mackey, Newberry, Parrish, Peace, Ratcliffe, Rausch, Raybourne, Render, C. R. Reynolds, R. Reynolds, Searcy, Smith, Sowards, Steiger, Tanner, Tinsley, S. R. Thomas, Weintraub, Wells, Willen, Wilson, Young; Nays, 0.

HB 216 was passed and the title agreed to.

Representative Weintraub moved that the vote by which **HB 216** was passed be reconsidered and said motion laid on the table. Agreed.

Report on Enrolled Bills

Representative Rayburn vacated the Chair and Speaker Weintraub resumed the duties of the Chair for the report of the Enrollment Committee.

The Enrollment Committee reported **SB 133** had been examined and found correctly enrolled. Said bill read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day

Speaker Weintraub again vacated the Chair and resumed the duties of Acting Majority Floor Leader, while Representative Rayburn presided over the House.

HB 215 taken from Orders of the Day by the Rules Committee. Representative Weintraub moved that it be read for the third time and placed on passage. Agreed.

Representative Weintraub moved to amend **HB 215** as follows:

Amend printed copy of **HB 215** on page 2, subsection (3), line 19 by deleting the words "of Franklin County" and inserting in lieu thereof the following: "of the county in which the petitioner resides"

Adopted.

HB 215 as amended read for the third time.

On roll call, the vote was: Yeas, 43—Anderson, Bach, Billington, Burke, Bush, Casey, Chaudoin, Clore, Combs, E. E. Cook, Cottengim, Crecelius, W. F. Davis, Farmer, Finney, Fitzpatrick, Hahn, Haley, Hinkle, Hodges, Huddleston, Isler, Kingsbury, Kubale, Lovelace, Mackey, Newberry, Nunn, Parrish, Ratcliffe, Rausch, Render, Searcy, Sowards, Steiger, Tinsley, Ed Thomas, S. R. Thomas, Walsh, Weintraub, Willen, Wilson, Wirsch; Nays, 40—Arnold, Bartley, Barton, Breckinridge, Brown, Buchanan, Buckner, Burress, M. W. Cook, Bill Cornett, Paul Cornett, P. F. Davis, Dempsey, Duff, Ford, Gay, Greene, Hale, Hall, Hart, Hopkins, Howard, H. Nick Johnson, Lowman, Lyon, Moore, Ockerman, Peace, Qualls, Ray, Raybourne, Reed, C. R. Reynolds, R. Reynolds, Smith, Tanner, Wells, Whitehead, Williams, Young.

HB 215 was passed as amended and the title agreed to.

Representative Weintraub moved that the vote by which **HB 215** was passed be reconsidered and said motion laid on the table. Agreed.

Senate Message

Senate message announcing passage of **SB 212, SB 213, SB 235, SB 258, SB 273, SB 281, SB 290, SR 56.**

HB 217 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Weintraub moved that it be read for the third time and placed on passage. Agreed.

Representative Burke moved to amend **HB 217** as follows:

Amend printed copy of **HB 217** on page 2, section 4, line 27 change "may" to "shall"

Adopted.

HB 217 as amended read for the third time.

On roll call, the vote was: Yeas, 48—Bach, Billington, Burke, Bush, Casey, Chaudoin, Clore, Combs, E. E. Cook, Cottengim, W. F. Davis, Farmer, Finney, Fitzpatrick, Gullette, Hahn, Haley, Henry, Hodges, Isler, Kincer, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Newberry, Nunn, Parrish, Ratcliffe, Rausch, Rayburn, Reed, Render, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Tinsley, Ed Thomas, Walsh, Wathen, Willen, Wilson, Wirsch; Nays, 30—Anderson, Breckinridge, Brown, Buchanan, Burress, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Dempsey, Duff, Ford, Gay, Greene, Hale, Hall, Hart, Hislope, H. Nick Johnson, Lowman, Moore, Ockerman, Peace, Ray, C. R. Reynolds, R. Reynolds, Wells, Whitehead, Williams.

HB 217 was passed as amended and the title agreed to.

Representative Weintraub moved that the vote by which **HB 217** was passed be reconsidered and the motion laid on the table. Agreed.

HB 218 taken from Orders of the Day upon motion of Representative Weintraub as recommended by the Rules Committee. Representative Weintraub moved that it be placed on passage. Agreed.

Representative Williams moved to amend **HB 218** as follows:

Amend printed copy of **HB 218** on page 1, section 2, lines 9 and 10 by striking the words "Franklin Circuit Court" and inserting in lieu thereof the following: "Circuit Court of the county in which the person receiving the payments to be recovered resides"

Adopted.

Representative Weintraub moved the Previous Question. Agreed.

On roll call, the vote was: Yeas, 15—Bach, Billington, Burke, Bush Chaudoin, Clore, Combs, Farmer, Fitzpatrick, Hodges, McCallum, McReynolds, Reed, Tinsley, Wirsch; Nays, 65—Anderson, Arnold, Bartley, Barton, Breckinridge, Brown, Casey, Coffey, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Fields, Finney, Ford, Greene, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hopkins, Howard, Huddleston, Isler, H. N. Johnson, Kingsbury, Lovelace, Lowman, Lyon, McGuire, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Peace, Qualls, Rausch, Ray, Raybourne, Render, C. R. Reynolds, R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Walsh, Wells, Whitehead, Willen, Williams, Young.

HB 218 was defeated.

Representative Weintraub moved that the vote by which **HB 218** was defeated be reconsidered and said motion laid on the table. Agreed.

Motions

Representative H. Nick Johnson moved to suspend the Rules for the purpose of introducing a resolution. Agreed.

HR 114, by H. N. Johnson, Duff, M. W. Cook, Reed, Burress, Buckner, Buchanan, Russell Reynolds, Bill Cornett, Hart, Dempsey, Carl Reynolds, Hale, Peace, Hislope, Brown, Hodges, Bartley, Paul Cornett, Isler, A RESOLUTION reprimanding the Acting Majority Floor Leader of the House of Representatives for his use of derogatory terms with reference to members of the House from Eastern Kentucky Districts.

Representative Tinsley moved that the House adjourn until 4:00 p.m., March 12.

On roll call for adjournment, the vote was: Yeas 15—Bach, Combs, Farmer, Finney, Henry, Hodges, Kincer, McCallum, McReynolds, Rausch, Reed, Steiger, Tinsley, Ed Thomas, Wirsch; Nays, 42—Arnold, Billington, Brown, Buchanan, Buckner, Burress, Casey, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Dempsey, Duff, Fitzpatrick, Ford, Gay, Hale, Hall, Hart, Hinkle, Hopkins, Howard, Isler, H. Nick Johnson, Lovelace, Lyon, Mackey, Parrish, Peace, Qualls, Raybourne, C. R. Reynolds, R. Reynolds, Searcy, Smith, Sowards, Tanner, Wells, Whitehead, Willen, Wilson.

Motion rejected.

The Chair ruled that **HR 114** would be referred to the Rules Committee.

Orders of the Day

Representative Fitzpatrick moved that **HB 357** be taken from Orders of the Day, that it be read for the third time and placed on passage. Agreed.

HB 357 read at length for the third time.

On roll call, the vote was: Yeas 74—Anderson, Arnold, Bach, Bartley, Barton, Breckinridge, Brown, Buckner, Burke, Bush, Casey, Chaudoin, Clore, Coffey, Combs, M. W. Cook, Bill Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Farmer, Fields, Finney, Fitzpatrick, Gay, Gullette, Hahn, Hale, Haley, Hall, Hart, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, Isler, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Qualls, Rausch, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, R. Reynolds, Searcy, Smith, Steiger, Stith, Tinsley, Walsh, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

HB 357 was passed and the title agreed to.

Representative Fitzpatrick moved that the vote by which **HB 357** was passed be reconsidered and said motion laid on the table. Agreed.

HB 214 taken from Orders of the Day on recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read for the third time and placed on passage. Agreed. Representative Cottengim moved the Previous Question. Agreed.

Representative Tinsley moved that **HB 214** be referred back to the Rules Committee for reconsideration.

Representative Lowman moved that **HB 214** be tabled. Agreed.

HB 466 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read for the third time and placed on passage. Agreed.

HB 466 read at length for the third time.

On roll call, the vote was: Yeas, 79—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Farmer, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hart, Hinkle, Hislope, Hodges, Hopkins, Isler, H. N. Johnson, Kincer, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Peace, Rausch, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Tinsley, S. R. Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Wilson, Young; Nays, 0.

HB 466 was passed and the title agreed to.

Representative Fitzpatrick moved that Rules Committee Substitute for **HB 139** be taken from Orders of the Day, that it be read for the third time and placed on passage. Agreed. **HB 139** read for the third time.

On roll call, the vote was: Yeas, 80—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buckner, Burke, Burress, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Farmer, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, H. N. Johnson, Kincer, Kubale, Lovelace, Lowman, Lyon, McCallum, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Peace, Qualls, Rausch, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Searcy, Smith, Steiger, Stith, Tanner, Tinsley, S. R. Thomas, Walsh, Wathen, Wells, Willen, Wilson, Young; Nays, 0.

HB 139 was passed and the title agreed to.

Representative Fitzpatrick moved that **HB 447** be taken from Orders of the Day, that it be read for the third time and placed on passage. Agreed.

HB 447 read at length for the third time.

On roll call, the vote was: Yeas, 68—Anderson, Arnold, Bach, Barton, Billington, Buckner, Bush, Casey, Chaudoin, Clore, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Duff, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Hinkle, Hislope, Hopkins, Huddleston, Isler, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Qualls, Rausch, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Searcy, Smith, Steiger, Stith, Tinsley, S. R. Thomas, Wathen, Wells, Willen, Wilson, Young; Nays, 1—Howard.

HB 447 was passed and the title agreed to.

Representative Fitzpatrick moved that the vote by which **HB 447** was passed be reconsidered and said motion laid on the table. Agreed.

Representative Fitzpatrick moved that **HB 448** be taken from Orders of the Day, that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 71—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Burress, Bush, Chaudoin, Clore, Combs, E. E. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Farmer, Fields, Finney, Fitzpatrick, Ford, Greene, Gullette, Hahn, Hale, Haley, Hart, Hinkle, Hopkins, Howard, Huddleston, Isler, H. N. Johnson, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Parrish, Peace, Qualls, Rausch, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Searcy, Smith, Steiger, Stith, Tinsley, Walsh, Wathen, Wells, Willen, Young; Nays, 0.

HB 448 was passed and the title agreed to.

Introductions

The following Bills and Resolutions were introduced:

HB 628, by Representative Fitzpatrick, AN ACT relating to the acquisition of office space for the Bureau of Employment Security of the Department of Economic Security and making an appropriation therefor.

HB 629, by Representative Whitehead, AN ACT relating to record books and supplies for clerks and courts.

HB 630, by Representative Hall, AN ACT relating to school busses.

HB 631, by Representative Dempsey, AN ACT relating to gambling devices.

HB 632, by Representative S. R. Thomas, AN ACT relating to the election of county school superintendents.

HB 633, by Representative Smith, AN ACT relating to chiropractic.

HB 634, by Representative Ratcliffe, AN ACT relating to the bee industry in Kentucky.

HB 635, by Representative Stith, AN ACT relating to tobacco warehouses.

HB 636, by Representatives Buckner, H. Nick Johnson, Duff, Buchanan, AN ACT relating to arrest, amending Criminal Code of Practice.

HB 637, by Representatives Duff, H. Nick Johnson, Buckner, Buchanan, AN ACT relating to fireworks.

HB 638, by Representatives Duff, Buckner, H. Nick Johnson, Buchanan, AN ACT relating to inspection of vehicles, including school buses.

HB 639, by Representatives Duff, H. Nick Johnson, Buckner, Buchanan, AN ACT relating to motor vehicle convictions.

HB 640, by Representatives Kingsbury, Cottengim, Fitzpatrick, Isler, AN ACT changing the classification of the City of Erlanger in Kenton County.

HB 641, by Representative S. R. Thomas, AN ACT relating to the sale of appliances for the prevention of venereal disease.

Representative Fitzpatrick moved that the House adjourn until 4:00 p.m., March 12. Agreed.

WEDNESDAY, MARCH 12, 1958

FIFTY-SECOND LEGISLATIVE DAY

The House was called to order by the Speaker, Mr. Weintraub.

Invocation by the Reverend John C. Chenault, of the First Christian Church, of Frankfort.

The roll was called. All members present except Baumgardner, Buchanan, Casey, Duff, Everett, Fields, Gullette, Hahn, Kingsbury, Miller, Nunn, Reed, Richards, Williams.

Representative Chaudoin moved that absent members be granted leaves of absence. Agreed.

Reading of the Journal for March 11 dispensed with and the same approved on motion of Representative Isler.

Senate Message

Senate Message announcing passage of **SB 229, SB 259, SB 280, SB 285, SB 146, SB 300, SB 95, SB 145, SB 93, SB 194, SR 51, SR 52, SR 61,** SR 14, **SR 34, SR 58, SR 63,** SR 43, Senate Committee Substitute for **HB** 133, **HB** 147, **HB** 187, **HB 250, HB** 149 with Senate Amendment, **HB 202, HB 340, HR 81, HR 84, HR 85, HR 87, HR 91.**

Introductions

Representative Young moved the adoption of **HR 116.** Adopted.

HR 116, by Representative Paul E. Young, A RESOLUTION of sympathy for the family of Mrs. W. P. Hahn.

WHEREAS, word has just reached this House of the death of Mrs. W. P. Hahn, the mother of Representative James Hahn, of Muhlenberg County, and

WHEREAS, Mrs. Hahn has always been a source of inspiration and guidance to her son and to the other members of their family, and

WHEREAS, this House is desirous of expressing its sympathy to Representative Hahn in his bereavement, and to the members of the family,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this House notes with regret the passing of Mrs. W. P. Hahn and expresses its sincere sympathy to Representative James P. Hahn and to the other members of the family of the late Mrs. Hahn.

Section 2. Copies of this Resolution shall be transmitted to Representative Hahn and to other members of his family by the Clerk of this House.

Representative Burress moved the adoption of **HR 117.** Adopted.

HR 117, by Representatives Burress, Buckner, Duff, Hodges, Kubale, Rayburn, Willen, A CONCURRENT RESOLUTION requesting Congress to proceed with plans for construction of a dam at Greensburg.

WHEREAS, it has already been determined that it is necessary that a dam be constructed at Greensburg on the Green River;

WHEREAS, preliminary plans for the construction of such dam have been completed;

WHEREAS, further action on the part of the Congress, in the form of an appropriation, is necessary before further progress can be made, and;

WHEREAS, such appropriation would serve the dual purpose of expediting necessary construction and partially relieving the present unemployment situation.

NOW, THEREFORE,

Be it Resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Congress of the United States is urged to act in the exercise of its broad legislative powers to expedite construction of a dam on the Green River at Greensburg, Kentucky.

Section 2. That the Congress act in this regard by appropriating, at an early date, a sum sufficient to complete the construction of such dam.

Section 3. That the clerk of the House of Representatives be and is hereby directed to cause copies of this resolution to be sent to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, the Secretary of the Interior and each Senator and Representative from the Commonwealth of Kentucky in the Congress of the United States.

Report on Enrolled Bills

The Committee on Enrollment reported that **SB 200** had been examined and found correctly enrolled. Said bill read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Motions

Representative McGuire moved that **HB 510** be taken from Orders of the Day and placed on passage. Motion withdrawn.

Report of Rules Committee

HB 206, HB 36 with Committee Amendments, **SB 208, HB 289,**

HR 113, SB 43, HB 640, SB 51 with Committee Amendments, **HB 608, SB 144, HB 629, HB 603, SR 56, HB 471, HB 589, HB 628, SB 138, HB 611, HB 626, HB 599, HB 610, HB 540, HB 581, HB 533, HB 625, HB 347, HR 82, HR 111, HB 609, HB 612, HB 616, HB 615, HR 44, SR 36, HR 55, HR 112, HB 375** with Committee Amendments were reported with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 206, AN ACT relating to gas pipe-line companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 278.485 of the Kentucky Revised Statutes is amended to read as follows:

Every gas pipe-line company obtaining gas from producing wells located within this state, upon the request of the owner of the property on or over which any producing well or gas gathering pipe line is located or the owner of real estate whose property and point of desired service is located within one-half air-mile of said company's producing gas well or gas gathering pipe line, shall furnish gas service to such owner and applicant, subject to and upon the following terms, conditions and provisions, to-wit:

(1) The gas service shall be furnished at rates and minimum monthly charges determined by the Public Service Commission.

(2) The applicant for such gas service shall construct or cause to be constructed, and shall maintain and keep in good repair, the service lines, and shall provide and install or cause to be installed, and keep in good repair, the necessary automatic gas regulators, and shall pay the entire cost thereof. The company, at its own expense, shall provide, install and maintain the necessary gas meters.

(3) The construction of each service line, the installation, type and number of automatic gas regulators and gas meter or meters and the connection thereof with the gas producing well or pipe line shall be under the supervision of the Public Service Commission or an agent thereof; and, shall conform to such standards of safety, location and convenience as may be prescribed by said commission.

(4) Neither the gas producer nor the gas pipe-line company shall be responsible for maintaining any fixed or specified gas pressure. Neither the gas producer nor the gas pipe-line company shall be liable for any accident or accidental injuries or damages which may result from any defect or failure of any automatic gas regulator or for any leakage or other defect or failure of any service line installed or constructed by the applicant.

(5) Gas pipe-line companies shall serve property owners, under the provisions of this section, from either high or low pressure lines, whether or not on the discharge side of any compressor station.

(6) Nothing in this section shall be construed to restrict the right of any gas pipe-line company to abandon any gas well or any gathering pipe line, or any part thereof, and to remove any such abandoned pipe line or lines.

(7) Subject to the rules and regulations of the Public Service Commission, any service may be disconnected and discontinued by the company for failure of the customer to pay any bill as and when due and payable.

HB 36, AN ACT relating to attachment and garnishment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 425.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person in whose favor a final judgment in personam has been entered in any court of record in this state may, upon filing an affidavit in the office of the clerk of the Court in which the judgment was entered showing the date of the judgment and the amount due thereon, and expressing the belief that one or more named persons hold property belonging to, or are indebted to, the judgment debtor, obtain an order of garnishment directed to the sheriff, with as many copies as the plaintiff may direct, requiring him to summon the garnishees named in the affidavit to answer in the manner and at the time required for an answer by the Rules of Civil Procedure and to make due return thereof. The order shall be made returnable as an order of arrest is directed to be returned.

(2) The judgment plaintiff shall not be required to execute bond to obtain the order.

(3) The order of garnishment shall be served on the persons named as garnishees in the manner provided in subsection (3) of KRS 425.225, and in addition a copy thereof shall be served on the judgment debtor.

(4) The judgment debtor may, on the return day, appear and claim the exemption of any property or debt that is exempt from execution, and on proof of exemption the garnishment shall be discharged as to the exempt property or debt.

(5) If the court finds that the garnishee was, at the time of service of the order upon him, possessed of any property of the judgment debtor or was indebted to him, and the property or debt is not exempt from execution, the court shall order the property or the proceeds of the debt applied upon the judgment.

(6) Where the garnishee is also the employer of the judgment debtor, the court may, in addition to ordering present indebtedness applied upon the judgment stipulate that the order of garnishment shall remain in force as to all future indebtedness until the judgment is satisfied.

(7) Subsequent orders of garnishment against the same or other garnishees may be issued in the same manner until the judgment is satisfied.

(8) The provisions of KRS 425.215 to 425.520 and KRS Chapter 427 shall, as far as applicable, govern proceedings under the order.

Committee Amendment No. 1

Amend printed copy of **HB 36** on page 2, section (6), line 34. Amend section (6) line 34 by deleting the words "until the judgment is satisfied," and inserting in lieu therefor the words "for ninety days."

Committee Amendment No. 2

Amend printed copy of **HB 36** on page 2, section (7), line 37. Amend section (7) line 37 by deleting the words "until the judgment is satisfied," and inserting in lieu therefor the words "for ninety days."

SB 208, AN ACT relating to Medical Service Plans.

WHEREAS it is the public policy of this state that, because of the close personal relationship between a patient and his or her physician, every person should be free from unreasonable restraints in the choice of his physician, and

WHEREAS it appears to the General Assembly that when any person is a beneficiary of any medical service plan (whether financed entirely by said beneficiary, or partly by the beneficiary and partly by his employer, or entirely by his employer, or otherwise):

(a) He should not be required, as a condition to the receipt of medical benefits under said plan, to waive his right to select his physician and to accept a physician selected by said plan or by any person other than himself, and

(b) Such a requirement or condition constitutes an unreasonable restraint upon such person's right to choose his personal physician,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act only, unless the context requires otherwise:

(1) "Medical service plan" means any plan or arrangement whereby one person provides or defrays any part of the cost of medical service to any other person.

(2) "Medical service" means any professional service in the field of medicine, osteopathy, dentistry or pharmacy which is performed by a licensed physician, dentist or pharmacist in this state.

(3) "Person" means any natural person or persons, or any partnership, association, corporation, co-operative, trust, or other legal entity, or any officer, agent, or instrumentality of any of the foregoing.

(4) "Beneficiary" means any person who in any manner re-

ceives or is entitled to receive medical service, or any part of the cost thereof, under any medical service plan in this state.

(5) "Physician," for the purposes of this Act only, means any person licensed to practice medicine, osteopathy, dentistry or pharmacy in this state.

Section 2. No person operating a medical service plan in this state shall demand or require, as a condition precedent to the receipt of such medical service or any part of the cost thereof, that any beneficiary waive or otherwise surrender his right to select the physician who shall perform a medical service for him or any member of his family. Every person operating a medical service plan in this state shall afford to every beneficiary thereof, the right to select the physician who shall perform such medical service.

Section 3. Every contract, agreement, or other arrangement the effect of which would deny any beneficiary under any medical service plan in this state his right to choose the physician who will perform a medical service for him or any member of his family, or impose as a condition to the receipt of said service or any part of the cost thereof that said beneficiary waive his said right, is hereby declared to be contrary to public policy and wholly void.

Section 4. Nothing contained in this Act shall prevent any person operating a medical service plan in this state from specifying the medical services which the plan will provide, or from prescribing the fee which such plan will pay for a specific medical service. Provided, however, that no such person shall discriminate between qualified physicians, in payments made for like or substantially similar services.

Section 5. Nothing contained in this Act shall prevent any employer from providing the services of a physician for employment, physical examination or first aid treatment at such employer's factory or other place of business, or require said employer to pay the value of the services of such physician to any employee who elects not to avail himself of such services.

Section 6. Every person found guilty of violating Section 2 of this Act or of conspiring to do so, or of aiding or abetting another to do so, shall be fined not less than $100 nor more than $1,000, or confined in the county jail for not less than 30 days nor more than 180 days, or both.

Section 7. Any person operating a medical service plan in violation of this Act and any person aiding or abetting any such person in the violation of this Act may be enjoined from doing so by any court of competent jurisdiction in this state, upon the complaint of any beneficiary of such plan, or the Commonwealth.

Section 8. If any person convicted of violation of this Act is licensed to practice medicine, osteopathy, dentistry or pharmacy in this state, such conviction shall constitute sufficient grounds for the revocation of his license. If such convicted person is an officer or agent of a licensed hospital in this state, and the proof shows that such officer's or agent's acts were committed with the knowledge and consent, express or implied, of such hospital's governing body, such conviction shall be sufficient grounds for the revocation of said hospital's license.

Section 9. Every beneficiary of a medical service plan in this state shall be entitled, upon demand, to receive the medical service or benefit provided by such plan, free of any unlawful restraint or limitation upon his right to select the physician who shall render such service. If any person operating or administering a medical service plan in this state shall, fifteen days or more after proper demand has been made upon him, fail or refuse to provide such service or pay over such benefits to any beneficiary, except upon some condition declared unlawful by this Act, such beneficiary shall have a cause of action against the plan and the person operating or administering the same for damages in a sum equal to twice the value of the service or benefit to which he was entitled.

Section 10. Every person operating a medical service plan in this state shall, on or before June 30 of each year, file with the Secretary of State, a designation of a process agent having an office in this state and upon whom service of process may be had by anyone having a claim against said plan. The Secretary of State shall be entitled to a fee of $3.00 for filing this designation. Failure to file said designation shall constitute a misdemeanor and shall be punishable by a fine of not less than $10 or more than $1,000 for each day the violation continues, at the discretion of the court.

Section 11. The provisions of this Act shall have no effect on any Medical Service Plan Corporation organized under the provisions of KRS Chapter 303, nor upon any medical service plan operated by the Commonwealth, the United States, or any other governmental agency.

HB 289, AN ACT relating to teacher classification.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 157.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers in rank as follows:

RANK I: Those holding regular certificates and who have a master's degree and who have earned twenty-four semester hours of approved graduate work after the master's degree has been granted;

RANK II: Those holding regular certificates and who have a master's degree or its equivalent;

RANK III: Those holding regular certificates and who have an approved four year college degree or the equivalent;

RANK IV: Those holding regular certificates and who have ninety-six to one hundred and twenty-eight semester hours of approved college training or the equivalent;

RANK V: Those holding regular certificates and who have sixty-four to ninety-five semester hours of approved college training or the equivalent; provided, however, that persons holding emergency certificates shall not be classified higher than this rank;

RANK VI: Those holding certificates and who have thirty-two to sixty-three semester hours of approved college training or the equivalent; and

RANK VII: Those holding certificates and who have fewer than thirty-two semester hours of approved college training or the equivalent.

In determining ranks, the Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers who hold certificates as of July 1, in the respective ranks according to approved college semester hours of credit. The Superintendent of Public Instruction, in defining preparation for certain types of vocational teachers as equivalent to college training, shall give consideration to apprenticeship training and industrial experience.

(2) The amount to be included in the foundation program of a district for teacher's salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule for each rank:

Rank I	$3800
Rank II	$3500
Rank III	$3200
Rank IV	$2700
Rank V	$2400
Rank VI	$1800
Rank VII	$1500

Provided, the amount to be included for vocational units, and units for administrators, directors of pupil personnel and special instructional services shall be increased proportionately if the personnel for such units are employed for longer than the regular school term and such employment is approved by the Superintendent of Public Instruction under regulations of the State Board of Education. Where the actual number of teachers employed by the district varies from the number allowed under the provisions of KRS 157.310 to 157.440, the number to be included in each rank shall be in the same ratio that the number of teachers actually in each rank is to the total number of teachers employed.

(3) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by six hundred dollars.

(4) The amount to be included in the foundation program for capital outlay shall be determined by multiplying the number of classroom units by four hundred dollars.

(5) The amount to be included in the foundation program for transportation shall be determined by multiplying the number of transportation units by sixteen hundred dollars.

(6) The total cost of the foundation program for each district shall be the sum of the allotments in subsections (2), (3), (4) and (5) of this section.

(7) The State Superintendent of Public Instruction shall take necessary budgetary action and procedures to insure that expenditures for teachers' salaries provided for under this Act shall be adequately financed and have precedence over other expenditures in the common school budget. Should the Superintendent of Public Instruction be obliged to invoke KRS 157.430 due to insufficient funds, the provisions for teachers' salaries shall have precedence over other expenses and shall be met in full before the percentage of reduction is computed for the other types of expenditures.

HR 113, A JOINT RESOLUTION appropriating twenty thousand dollars to the Prestonsburg Disaster Committee.

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

That the sum of twenty thousand dollars is hereby appropriated to the Prestonsburg Disaster Committee to aid the bereaved families.

SB 43, AN ACT relating to gas distribution systems.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 74.400 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any county court, except in counties containing a city of the first class, upon petition of seventy-five resident freeholders of a water district heretofore organized under the provisions of KRS 74.010, may authorize said water district to acquire, develop, maintain and operate a system for the distribution of natural, artificial or mixed gas. The distribution system may serve more than one county. The petition shall describe the territory intended to be included in

the area to be served and shall set out the reasons a gas distribution system is needed.

(2) When the petition is filed, the court shall give notice of the filing by publication in three issues of a newspaper of general circulation in the counties proposed to be served, or if there is no newspaper in a county proposed to be served, by posting notices in three public places in that county. Within thirty days after the publication of notices, any resident of the area proposed to be served may file objections, and the court shall set the case for hearing within ten days. If the court finds the establishment of a gas distributing system reasonably necessary for the public health, convenience, and comfort of the residents, it shall be made an order authorizing the establishment or acquisition of the gas distributing system.

(3) The court may in its order strike off any part of the territory that the testimony shows will not be benefited by the creation of the distribution system. If the court does not find that the gas distribution system is necessary it shall dismiss the petition. Either party may appeal to the circuit court for a retrial, and from the circuit to the Court of Appeals, as provided by law.

HB 640, AN ACT changing the classification of the City of Erlanger in Kenton County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of Erlanger in Kenton County is such as to justify its being classified as a city of the third class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Erlanger, in Kenton County, is transferred from the fourth to the third class of cities.

SB 51, AN ACT relating to attorneys at law.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any veteran of World War II or the Korean conflict who has been graduated with an LLB, or equivalent professional degree, from a law school approved by the American Bar Association or by the American Association of Law Schools, shall be granted a license to practice law by the Clerk of the Court of Appeals, without the necessity of his being examined, provided that such veteran was enrolled in an approved law school during the years of 1941 to 1945 or 1950 to 1952 and had his study of the law interrupted by a call to active duty in the armed forces of the United States and provided that upon his discharge from active duty, under conditions other than dishonorable, such veteran again enrolled at an approved law school and was subsequently graduated therefrom.

Section 2. Whereas it is important to the veterans and the people of the Commonwealth that this measure take effect before the February bar examination, an emergency is declared to exist and this Act shall become effective upon its approval by the Governor.

Committee Amendment No. 1

Amend printed copy of **SB 51** on page 1, section 1, line 7 by deleting the words "an approved"

Committee Amendment No. 2

Amend printed copy of **SB 51** on page 1, section 1, line 8 by deleting the word "law"

Committee Amendment No. 3

Amend printed copy of **SB 51** on page 1, section 1, line 9 by deleting the words "of the law"

Committee Amendment No. 4

Amend printed copy of **SB 51** on page 1, section 1, line 12 by deleting the words "at an approved law"

HB 608, AN ACT relating to the interstate system of highways.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of KRS 177.220 to 177.310 is created to read as follows:

(1) The rights-of-way of highways forming the federal interstate system shall not be available for the establishment of automotive service stations or other commercial establishments the use of which by motorists would be inconsistent with the plan of limited access.

(2) This section shall not apply to enterprises established under KRS 177.480.

SB 144, AN ACT relating to the payment of expenses of certain stenographic reporters.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Official reporters serving judicial districts comprised of more than one county shall be paid their actual expenses, not to exceed $10.00 per day, when acting outside the county of their residence.

Section 2. After being approved in writing by the circuit judge, claims for such compensation shall be presented to the Commissioner of Finance, and shall be paid out of the General Fund of the State Treasury.

HB 629, AN ACT relating to record books and supplies for clerks and courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 28.135 of the Kentucky Revised Statutes is amended to read as follows:

All necessary record books and all necessary supplies, materials, paper, binders, chemicals and other photostatic supplies used in the preparation and making of record books required by the county judge and the clerks of the county and circuit courts, shall be procured upon orders of the respective court that requires them. The cost of such record books and other supplies shall be paid by the Commonwealth.

HB 603, AN ACT relating to fire protection districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) The board of trustees of any fire protection district may borrow money needed to acquire fire-fighting equipment and for purchase of land and buildings or construction thereof and may issue, negotiate and sell bonds to pay the costs thereof.

(2) Such bonds shall not be issued until proposed by order or resolution of the board of trustees, specifying the purpose for which the funds are to be used and the proposed undertaking, the amount of bonds to be issued, the rate of interest they are to bear and the amount of any necessary levy in excess of the maximum provided in KRS 75.040. Such levy may not exceed ten cents on each one hundred dollars of valuation as assessed for county taxes. Copy of such order or resolution shall be published at three weekly intervals in a newspaper of general circulation in the district and by posting hand bills in at least ten conspicuous places in the district. Such notice shall fix the date and place for hearing on the proposal.

(3) After thirty days from date of first publication the board of trustees shall conduct a hearing on the proposal. If it appears that the proposal is within the purview and scope of KRS Chapter 75 and meets all other requirements of law the proposal shall be submitted to the voters of the district at any general election or at a special election held under the supervision of the board.

(4) If two-thirds of the voters at the election favor the proposal, subject to provisions of KRS 66.210, such bonds may be issued.

SR 56, A JOINT RESOLUTION providing for a study of metropolitan governments in the Commonwealth of Kentucky.

WHEREAS, the rise of metropolitan areas has become one of the most significant and spectacular population trends in the United States and it has led to a major, largely unsolved problem of government; and

WHEREAS, the United States Bureau of the Census in 1950, has defined a "standard metropolitan area" to consist, in general, of at least one central city of not less than 50,000 population and the entire county in which it is located, including in addition, other entire counties that are contiguous to the first county which possess extensive economic and social contacts with the central county; and

WHEREAS, there are at present five metropolitan areas entirely or partly within the Commonwealth of Kentucky, and continued rapid increases in population have been occurring in metropolitan areas in general; and

WHEREAS, the metropolitan problem has become more acute in a setting of continuing growth of metropolitan areas in number, population, territorial size and governmental complexity, and the persistence of the metropolitan trend indicates that the less populous metropolitan areas, and even embryonic ones, may need to make changes soon to avoid comparable conditions; and

WHEREAS, one basis of the problem is the absence of general local government organization broad enough to cope with metropolitan matters; and

WHEREAS, there is a lack of area-wide governmental jurisdictions to provide and finance services, to plan and regulate, and to facilitate adequate accountability to the metropolitan public for their actions; and

WHEREAS, the metropolitan problem thus is in fact a series of major problems and a study of the question is desirable.

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is authorized and directed to make an investigation and study of the problems connected with metropolitan areas, with the view of determining generally the advisability of amending the Constitution of the Commonwealth of Kentucky in order to provide for the establishing of a form of "metropolitan government."

Section 2. That for the purposes of this study the Chairman of the Legislative Research Commission is authorized to appoint an advisory committee whose members shall be persons having practical experience in metropolitan government, representatives of interested groups, and public-minded citizens, to advise and give counsel to the Legislative Research Commission.

Section 3. That the Legislative Research Commission is authorized to cooperate with representatives of metropolitan Chambers of

Commerce, the Kentucky Municipal League, labor representatives, and other groups.

Section 4. That the Department of Economic Development, the Department of Finance, the Department of Highways, and such other state agencies as the Legislative Research Commission may designate, are directed to cooperate to the fullest extent with the Legislative Research Commission in the preparation of the report.

Section 5. That the Legislative Research Commission shall include its findings in a report to the General Assembly of the Commonwealth of Kentucky, such report to be submitted to the 1960 Regular Session.

Section 6. That there is appropriated to the Legislative Research Commission out of the General Expenditure Fund in the State Treasury, the sum of $5,000 for the 1958-1960 biennium, to carry out the purposes of this Joint Resolution.

HB 471, AN ACT relating to dramatic performances in state parks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Authority is hereby given to the Commissioner of Conservation to designate as the State Theater a non-profit incorporated school of drama. The State Theater, so designated, may be engaged to present public plays and performances at the various state parks throughout the Commonwealth. Once designated, the State Theater shall not be changed except for just cause and then only after reasonable notice and an opportunity to be publically heard before the Commissioner of Conservation have been given to the officers and agents of the State Theater.

Section 2. The primary income of the State Theater shall be derived from tuition charged for attending the school of drama and from admission charged to the public for attending the plays and performances; however, the Division of Parks of the Department of Conservation is authorized to enter into such contracts and make such guarantees to the State Theater as may be approved by the Department of Finance. The income so received shall be used by the State Theater to meet the cost of expenses of the productions and the operation of the school, the depreciation or replacement of equipment and reasonable compensation to the officers and employees of the State Theater.

Section 3. The Division of State Parks is authorized to accept, in its name as a state agency, gift, donations, bequests and scholarships for the use and benefit of the State Theater.

Section 4. Nothing in this Act shall be construed as prohibiting the State Theater from:

(1) Receiving gifts, donations, bequests and scholarships directly from a benefactor;

(2) Receiving a direct appropriation from the General Assembly; or

(3) Presenting public plays and performances at places other than the various state parks.

HB 589, AN ACT relating to operator's licenses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any person moving into Kentucky for permanent residence shall obtain a Kentucky operator's license by submitting to written examination. Such persons shall be required to surrender their out-of-state license before obtaining a Kentucky operator's license.

Section 2. Section 186.480 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Public Safety shall examine the qualifications of every applicant for an operator's license. The examination shall be held in the county where the applicant resides unless the applicant is granted written permission by the circuit clerk of the county in which he resides, to take the examination in another county, and the Department of Public Safety agrees to arrange for the examination in the other county. The examination shall include a test of the applicant's eyesight, his ability to read and understand highway signs regulating, warning, and directing traffic, his knowledge of traffic laws and an actual demonstration of ability to exercise ordinary and reasonable control in the operation of a motor vehicle.

(2) Any person whose operator's license is denied, suspended or revoked for cause, shall apply for reinstatement at the termination of the period for which the license was denied, suspended or revoked by submitting to the examination.

(3) All licensed operators shall submit to a driver's examination, consisting of a written test, a road signs test, and an eyesight test. If necessary to demonstrate ability to exercise proper control, the department may require a road test based on the road test given to original applicants. Such examination shall be given in the applicant's home county at the time of the renewal of the applicant's license, commencing in 1960. Thereafter, operators shall be examined every four years during their renewal period.

(4) The Department of Public Safety may require the examination, in full or in part, of any licensed operator whenever there is reason to believe that such person should be examined in the interest of and for the protection of the safety and welfare of the public in general. Such examination shall be held in the county in which the per-

son or persons reside and shall be completed within a reasonable time after such notice.

HB 628, AN ACT relating to the acquisition of office space for the Bureau of Employment Security of the Department of Economic Security and making an appropriation therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

There is hereby appropriated to the Department of Economic Security to be used for the purpose of acquiring suitable office space for the Bureau of Employment Security on that property located on the North side of Magazine Street between Eighth and Ninth Streets in the City of Louisville, Jefferson County, Kentucky, now owned by the Commonwealth, and on property to be acquired in the City of Elizabethtown, Hardin County, Kentucky, from money credited to the Unemployment Trust Fund under the provisions of Section 903 of the Federal Social Security Act, as amended, for the fiscal years 1958-1959 and 1959-1960 the sum of $1,638,000.00; provided that the amount which may be expended during either of such fiscal years shall not exceed the amount by which the amount credited to the Unemployment Trust Fund under Section 903 of the Federal Social Security Act during such fiscal year and the four preceding fiscal years exceeds the aggregate of the amounts used pursuant to such section during such fiscal year and the four preceding fiscal years; and provided further that no expenditure shall be made under this Act after the close of the two-year period beginning on the date of enactment hereof. Any unexpended balance at the end of such two-year period shall revert to the Unemployment Trust Fund or at such earlier date as is practicable if for any reason any amount appropriated hereby is not expended or can not be expended for the purpose set out above.

SB 138, AN ACT relating to dairy product marketing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be known as the "Milk Marketing Law."

Section 2. As used in this Act, unless otherwise required by context:

(1) "Commission" means the Milk Marketing and Antimonopoly Commission;

(2) "Person" means any individual, corporation, partnership, association, cooperative, or other business unit;

(3) "Producer" means every person who produces milk or cream from cows and thereafter sells the same as milk, cream, or other dairy products;

(4) "Producer-handler" means any person who maintains his own

herd, prepares for human consumption the milk or cream or other dairy products produced from the herd, and distributes and sells his own products, partially or exclusively, to customers or to others for sale to consumers;

(5) "Milk dealer" or "handler" means any person, including any distributor, processor, bulk milk handler, or operator of a store, who purchases or receives on consignment or otherwise, milk, cottage cheese or frozen dairy products, as hereinafter defined, within the state, for sale, shipment, storage, processing or manufacture, other than for consumption on the premises; A producer who delivers milk only to a processor, distributor or bulk milk handler shall not be deemed a milk dealer or handler; If a cooperative distributes or makes available on consignment or otherwise, milk, cottage cheese or frozen dairy products, within this state, to any person, it shall be deemed to be a milk dealer or handler as to that part of its business;

(6) "Consumer" means any person, other than a milk dealer or handler, who purchases milk, cottage cheese, or frozen dairy products for the consumption or use by himself or others;

(7) "Cooperative" means the term as defined in KRS Chapter 272, or an association organized under similar laws of another state;

(8) "Licensee" means a licensed milk dealer or handler;

(9) "Distributor" means any person, other than a bulk milk handler, engaged in the business of distributing milk, cottage cheese or frozen dairy products directly to retail outlets or consumers;

(10) "Processor" means any person engaged in the business of processing or packaging bulk milk into milk, cottage cheese or any frozen dairy products;

(11) "Bulk milk" means milk in bulk form, in cans, tank cars or tank trucks, that is furnished to a processor for the purpose of processing and manufacturing into milk, cottage cheese, or frozen dairy products;

(12) "Bulk milk handler" means any person engaged in the business of disposing of bulk milk to a processor, provided, that the term "bulk milk handler" shall not include a cooperative association with respect to the sale of the milk of its members;

(13) "Store" includes any mercantile establishment that sells at retail milk, cottage cheese or frozen dairy products;

(14) "Milk" means fluid milk, sweet cream, sour cream, skim milk, flavored milk, buttermilk, and condensed or concentrated whole or skim milk for use in fluid milk products;

(15) "Cottage cheese" means the soft uncured cheese prepared from the curd obtained by adding bacteria, with or without enzymatic action, to skim milk or reconstituted skim milk, prepared with or without mixture with cream or mixture of cream and milk or skim milk;

(16) "Frozen dairy products" means ice cream, ice cream mix, and any frozen substance, mixture or compound, regardless of the name under which it is represented, which is made in imitation or

semblance of ice cream or sherbet, when prepared or manufactured for commercial purposes;

(17) "Books and records" mean all pertinent books, ledgers, journals, records, papers, memoranda, correspondence, vouchers, bills, receipts, cancelled checks, accounts, exhibits, photographs and other documents.

Section 3. (1) There is hereby created the Milk Marketing and Antimonopoly Commission, which shall consist of six members. The membership of this commission shall be composed of the Commissioner of Agriculture, Labor and Statistics, who shall hold office ex officio, and five others to be selected by the Governor. Of the five members selected by the Governor, one shall be appointed from a list of four persons submitted by the Director of the Agricultural Experiment Station, two shall be appointed from a list of four persons submitted by the Kentucky Farm Bureau Federation and two shall be appointed from a list of four persons submitted by the Dairy Products Association of Kentucky. Both the Dairy Products Association of Kentucky and the Kentucky Farm Bureau Federation shall present two names from the first four congressional districts and two names from the second four congressional districts, and one member shall be selected from each of the two groups of congressional districts. All members shall be citizens of the United States and residents of the Commonwealth.

(2) All members shall serve a term of four years and until their successors are appointed and qualified, except that the five members first appointed shall hold office as follows: One for one year, one for two years, one for three years, and two for four years, from the effective date of this Act. Vacancies occurring during a term shall be filled by appointment for the unexpired term as provided in subsection (1) of this section.

(3) The Commissioner of Agriculture, Labor and Statistics shall be the chairman of the commission and the commission shall select a vice-chairman from among its members. The chairman or vice-chairman shall preside at all meetings and vote as any other member.

(4) Any action or order of the commission shall require the approval of at least four members.

(5) All members of the commission shall be reimbursed for their actual expenses and each appointed member shall be paid, in addition, twenty dollars for each day spent in the discharge of his official duties. No member of the commission during his tenure of office, shall hold any other office under the laws of the Commonwealth or the United States, with the exception of the Commissioner of Agriculture, Labor and Statistics.

Section 4. The Commonwealth shall not be liable for the acts or omissions of the commission or any member, officer, agent or employe thereof, or upon any contract entered into by the commission. No member of the commission and no officer, agent or employe thereof, shall be personally liable on any contract or agreement of the commission. All salaries, expenses, costs and liabilities incurred under the provisions of this Act shall be the obligations of the commission.

Section 5. No member or person employed in the work of the commission shall, for a period of two years after leaving the service of the commission, be eligible to appear before the commission representing any person interested in any proceeding pending before the commission.

Section 6. (1) The commission shall promulgate reasonable administrative regulations for the purposes of promoting the provisions of this chapter, including the establishment of reasonable marketing practices. However, nothing in this Act shall be construed to alter, amend or repeal any of the laws of the Commonwealth relating to the regulation of public health or to the prevention of fraud and deception. Provided, however, that uniform, published quantity discount sales shall not be deemed a violation of this or any other section of this Act; nor shall any rule, regulation or order issued under this Act discriminate, directly or indirectly against any form of container or dispenser.

(2) The commission may employ such attorneys, clerks and employes as it deems necessary to carry out the provisions of this Act. Any officer, employe or agent of the commission may be required to give bond as provided in KRS 62.060.

Section 7. (1) The commission may initiate proceedings, for the purpose of hearing and investigating evidence of the failure or refusal of any person to comply with the provisions of this chapter or the rules, regulations and orders of the commission issued thereunder after first giving five days notice to the alleged violator as to the date and time fixed for the hearing and the nature of the charge or charges. Each witness required to attend the hearing shall be entitled to receive mileage customarily paid to witnesses in the courts of the Commonwealth. The commission shall not be bound by technical rules of evidence, except as may be required by the applicable administrative procedure laws of the Commonwealth.

(2) The commission shall have the power during the course of an investigation or hearing to issue subpoenas requiring the attendance and testimony of any persons believed to have information of importance to the hearing or investigation, or possessing any books or records of importance to the hearing or investigation.

(3) Any person who refuses to obey a subpoena issued by the commission, or refuses to be sworn or affirmed, or testify, or who is guilty of any contempt after summons to appear, may be punished as for contempt of court. For this purpose an application may be made by the commission to the court of the circuit within whose territorial jurisdiction the hearing or investigation is being conducted.

Section 8. All acts, proceedings, rules, regulations, orders, papers, findings, minutes and records of the commission and all reports and documents filed with the commission may be proved in any court of the Commonwealth by copy thereof, certified to by the chairman or secretary of the commission.

Section 9. (1) The commission may confer with legally constituted authorities of other states and of the United States with respect to uniform milk marketing practices. The commission may join with authorities of other states and with the authorities of the United States to conduct joint investigations, to exchange information, hold joint hearings and issue joint, complementary or concurrent orders, and to enter into compacts upon milk marketing practices.

(2) The commission may grant exemptions from any provisions of this Act with respect to distribution or sale of products made to the United States or the Commonwealth or any agency, department, division or institution of either, or to any public institution supported in whole or in part by public funds.

Section 10. (1) Every milk dealer or handler who owns or operates facilities at which milk, cottage cheese and frozen dairy products are received, or processed for distribution or sale within the Commonwealth, or who sells milk, cottage cheese or frozen dairy products within the Commonwealth, shall make application for a license as a milk dealer or handler with the commission within thirty days after this Act takes effect, and annually thereafter, on or before January 1, upon a form to be prescribed by the commission. Such application shall be accompanied by a license fee of one dollar. Renewal fee shall be one dollar. Any licensee failing to renew his license before the expiration date thereof shall be penalized two dollars in addition to his license fee.

(2) The license required by this Act shall be in addition to any other license or licenses which are now or may hereafter be required by law.

(3) Producer-handlers and stores who distribute or sell a total quantity of milk, cottage cheese, and frozen dairy products, not in excess of an equivalent of three thousand pounds of whole milk in any one month, shall be exempted from the license requirement.

(4) Licenses may not be assigned or transferred.

Section 11. (1) The commission may decline to grant a license to an applicant or may suspend or revoke a license for the following causes:

(a) Failure to account and make payment for any milk purchased or received from a producer, milk dealer or cooperative that is marketing the milk of its member-producers. Provided, however, that if it be shown that there was reasonable cause for any such failure to account and make payment, and that such accounting and payment can and will be made promptly, the commission shall not suspend or revoke a license solely for such conduct, until a reasonable opportunity has been afforded the licensee to make accounting and payment;

(b) Doing any act injurious to public health or welfare or doing any act injurious to trade or commerce by disrupting of the orderly marketing of milk, cottage cheese, or frozen dairy products to such an extent as to interfere with the ample supply thereof for the inhabitants of the Commonwealth. Such act shall include any course of conduct on the part of the milk dealer or handler in violation of the terms of this Act or any valid rules, regulations and orders of the commission;

(c) Making a general assignment for the benefit of creditors, or being adjudged a bankrupt;

(d) Participating in practices in selling or otherwise disposing of milk at prices which create a condition of emergency, by disrupting and undermining orderly marketing practices or by imperiling the ability of milk dealers or handlers to make full and prompt payment for such milk;

(e) Failure to keep books and records or to furnish accurately the reports, statements of other information required by the commission;

(f) Having made any statement upon which a license was issued, which is found to have been false or misleading in any particular;

(g) Violation of any of the provisions of this Act, or any of the rules, regulations or orders of the commission;

(h) Failing to pay any judgment rendered as a result of any violation of the provisions of this Act, or the rules and regulations promulgated by the commission;

(i) Refusal without reasonable cause to receive milk from a producer because it was not transported to the milk dealer or handler by a hauler of the dealer's or handler's choosing, providing that such producer or hauler has adequate facilities and equipment for hauling, and is delivering or is ready, able and willing to deliver, milk to the plant of such dealer or handler in proper condition and at the time necessary to coincide with the current schedule of plant operations of the dealer or handler;

(j) Any conduct constituting a misrepresentation or fraud on the public.

(2) The burden of proving reasonable cause under any provisions of this section shall be upon the milk dealer or handler. The issuance or renewal by the commission of a license hereunder shall not preclude the commission from suspending or revoking such license for a violation committed by the licensee prior to the current license period.

Section 12. Before refusing to grant or to reissue, or before suspending or revoking a license, the commission shall give notice to the licensee by registered mail at least five days prior to the hearing containing a statement of the matters complained of. After reaching a decision, the commission shall notify the licensee by registered mail within ten days.

Section 13. (1) A party affected by an order of the Board may file a petition for review in the circuit court of the county in which he resides within twenty days after the service of the final decision of the Board.

(2) Copies of the petition shall be served upon the Board and all other parties of record. The court, in its discretion, may permit other interested parties to intervene. The filing of the petition shall not stay enforcement of the Board's decision; but the Board may do so, or the reviewing court may order a stay upon such terms as it deems proper.

(3) Within twenty days after service of the petition, or within such further time as the court may allow, the Board shall transmit to the reviewing court the original or a certified copy of the entire record under review; but, by stipulation of all parties to the review proceeding, the record may be shortened. Any party unreasonably refusing to stipulate to limit the record may be taxed by the court for the additional costs. The court may require or permit subsequent corrections or additions to the record when deemed desirable.

(4) The review shall be conducted by the court without a jury and shall be confined to the record, except that in cases of alleged irregularities in procedure before the Board, not shown in the record, testimony thereon may be taken in the court. The court shall upon request, hear oral argument and receive written briefs.

(5) The court may affirm the decision of the Board or remand the case for further proceedings; or it may reverse or modify the decision if the substantial rights of the petitioners may have been prejudiced because the administrative findings, inferences, conclusions, or decisions are:

(a) in violation of constitutional provisions;

(b) in excess of the statutory authority or jurisdiction of the agency;

(c) made upon unlawful procedure;

(d) affected by other error of law;

(e) unsupported by competent, material, and substantial evidence in view of the entire record as submitted;

(f) arbitrary or capricious.

Section 14. (1) In addition to the annual license fee there is imposed an assessment on all milk, except bulk milk, and on cottage cheese and frozen dairy products sold in the Commonwealth or packaged or processed in the Commonwealth for distribution therein. The assessment shall be a fee of not more than four mills per hundredweight on all milk used or processed in packaged or processed milk and cottage cheese; a fee of not more than one mill on each gallon of frozen dairy products with the exception of ice cream mix; and one quarter mill per dozen frozen novelties; and a fee of two mills on each gallon of ice cream mix. The commission may fix such assessment fees at lesser amounts and adjust such fees from time to time.

(2) The assessment fees shall be paid to the commission by:

(a) Each distributor with respect to the sale or disposition of milk, cottage cheese and frozen dairy products to consumers, or stores within the Commonwealth; and

(b) Each store with respect to its purchases of milk, cottage cheese or frozen dairy products from any source other than from distributors who are subject to the reporting and payment provisions of this section.

(3) (a) The assessment fees shall be payable to the commission on or before the last day of the month following the month during which such products were sold or disposed of. Such returns shall be on forms to be prescribed and furnished by the commission, and shall contain such information as the commission may require. The commission may in addition require each milk dealer or handler, including a producer-handler, to file a return with the commission for any month, giving such information as the commission may require.

(b) All information furnished to or acquired by the commission pursuant to this chapter shall be kept confidential by all members and employes of the commission and only such information as the commission deems revelant shall be disclosed by it, and then only in an administrative or court proceeding.

(4) The assessment fees provided by this chapter shall not apply to milk, cottage cheese and frozen dairy products used or consumed on the farm where produced or manufactured, or distributed or sold by producer-handlers and stores in a total quantity not to exceed an equivalent of three thousand pounds of whole fluid milk during the month.

Section 15. All fees and other moneys received by the commission pursuant to the provisions of this Act shall be paid to the commission, and shall be deposited in the state treasury to the credit of a revolving fund for the use of the commission in the administration of this Act.

Section 16. Whenever in the judgment of the commission any person has engaged in or is about to engage in any acts or practices that constitute a violation of this Act, or of any rules promulgated by the commission, the commission may make application to the court for an order enjoining such act or acts or practices.

Section 17. Any person who violates any provision of this Act or any rule, regulation or order of the commission shall be fined not more than five hundred dollars or imprisoned for not less than one day nor more than thirty days, or both, for each offense.

Section 18. This Act shall become effective on July 1, 1958.

HB 611, AN ACT relating to the Kentucky Water Pollution Control Commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 220.600 of the Kentucky Revised Statutes is amended to read as follows:

(1) For the purpose of carrying out the provisions of KRS 220.580 to 220.650, there is hereby created in the Department of Health a Water Pollution Control Commission.

(2) The commission shall consist of the Commissioner of Health, the Commissioner of Conservation, the Attorney General, the Commissioner of the Department of Fish and Wildlife Resources, the Director of Strip Mining and Reclamation, the Chief of the Department of Mines and Minerals, and three citizens of the Commonwealth, to be appointed for terms of four years each by the Governor. Two of said citizen members shall be selected from groups representative of municipalities. Vacancies shall be filled for the unexpired portion of any term in the same manner as an original appointment. Each of the officers of the Commonwealth hereby made a member of the commission may, by written order filed with the secretary of the commission, designate a deputy or other representative in his department to serve in his stead and to perform his duties as a member of the commission in his absence. Such designation shall be deemed temporary only and shall not affect the merit system or retirement rights of any person so designated.

(3) No salary or other compensation shall be allowed any member of the commission but each member may be reimbursed for actual and necessary expenses incurred in the performance of his official duties.

(4) The commission shall select one of its members as chairman and another member as vice chairman at its first regular meeting in each calendar year. The Commissioner of Health shall be the secretary of the commission, and may employ an executive director and such technical and other personnel as may be required in order to carry out the provisions of KRS 220.580 to 220.650 and the policies of the commission, and may define their powers and duties and fix their compensation. During the interim between meetings, the Commissioner of Health may perform in the name of the commission such functions and duties and may exercise such authority of the commission as the commission may delegate to him, or he may delegate such functions, duties and authority to the executive director.

(5) Technical, scientific, legal or other services required by the commission shall be furnished insofar as practicable, by the Department of Health, the Department of Conservation, the Director of Strip Mining and Reclamation, the Attorney General, the Department of Fish and Wildlife Resources, the Department of Mines and Minerals

and other state departments, without additional compensation. The commission may request and receive the assistance of any state or municipal educational institution, experiment station, laboratory or other agency when it is deemed necessary or beneficial by the commission to carry out the provisions of KRS 220.580 to 220.650. The Department of Fish and Wildlife Resources is authorized, out of its receipts, to make contributions to the commission for its program.

(6) The commission shall hold regular meetings at least once in every two months, the time and place of which shall be determined by the commission. Special meetings may be called by the chairman or by three members of the commission by delivery to the office of each member of the commission of a written notice thereof at least five days in advance of the date of any such meeting. Five members of the commission shall constitute a quorum at any meeting. The commission shall establish bylaws for the conduct of its meeting and shall keep an accurate record of all its proceedings.

HB 626, AN ACT relating to liability of tobacco warehousemen and the rights of purchasers of tobacco sold at auction.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

If any tobacco crop subject to the lien of a chattel mortgage is sold at public auction through a duly licensed tobacco warehouse in the ordinary course of business, a bona fide purchaser for value of such crop shall take title thereto free and clear of any such lien, and the warehouseman selling such tobacco shall not be liable to the holder of such lien, unless written notice of such lien and the amount thereof the name and address of the debtor and proper identification of the property subject to lien, are given to the tobacco warehouseman prior to the payment of the proceeds of sale to the owner or producer of such tobacco crop.

HB 599, AN ACT relating to retirement of state employes and officials.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 61.525 of the Kentucky Revised Statutes is amended to read as follows:

Membership in the system shall consist of the following:

(1) Members of the General Assembly who elect to join the system;

(2) All persons who become employes of a participating department after the date such department first participates in the system; and

(3) All persons who are employes of a department on the date the department first participates in the system, either in service or on

authorized leave from service, and who elect prior to October 1 next following such department's participation, or in the case of persons on authorized leave, within ninety days of their return to active service, to become members and thereby agree to make contributions as provided in KRS 61.510 to 61.700.

Section 2. A legislator who elects to join the Kentucky Employee's Retirement System shall join within thirty days after the beginning of his first term of office. A legislator holding office at the time this Act takes effect and joining within thirty days after the effective date of this Act shall be deemed to have joined within thirty days of the beginning of his first term provided he pays to the system an amount equal to the contribution he would have made during his service in the 1958 session of the General Assembly if this law had been operative during that session.

Section 3. Subject to the following exceptions, a legislator's membership in the system shall be subject to the provisions of KRS 61.510 to 61.700:

(1) A legislator shall contribute five percent of his compensation;

(2) A legislator shall be eligible for service retirement at age sixty-five with four sessions of service in the General Assembly;

(3) A legislator's annual service retirement allowance shall be two and one-half percent of a session's compensation multiplied by the number of sessions he has served, regardless of when served;

(4) A legislator shall not be compelled to retire at any age, and a legislator who has retired may rejoin the system upon his re-election, under regulations that the Board of Trustees shall promulgate;

(5) For purposes of administration, the Department of Finance shall be a legislator's employer;

(6) A legislator shall not be subject to death benefit and disability allowance provisions of KRS 61.510 to 61.700.

Section 4. The Board of Trustees shall study the feasibility of establishing a program of death benefits and disability allowances for legislator members on a scale commensurate with legislator's rate of contribution and benefits, and shall report its findings to the 1960 Session of the General Assembly.

Section 5. For the purposes of this Act, there is appropriated to the Department of Finance out of the General Fund the sum of $15,000 for the fiscal year 1958-1959, and the sum of $15,000 for the fiscal year 1959-1960.

HB 610, AN ACT relating to school buses and their operation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The following conditions and restrictions shall apply to all school buses and their operation on the public highways in this state.

(1) The drivers shall operate said buses in a reasonable manner and at a reasonable speed considering road and weather conditions but in no event shall they exceed a speed of forty-five miles per hour.

(2) All drivers shall submit annually to a complete and general physical examination, including color perception tests, before assuming their duties. Such examinations shall be conducted by a reputable licensed physician. Local boards of education may, by regulation, provide for more frequent physical examinations.

(3) The Department of Public Safety shall certify that each school bus driver is qualified to operate such vehicles upon the public highways in this state. The proper examination shall be given to determine the bus driver's qualifications.

(4) All school buses shall be maintained in a good mechanical condition and shall be inspected monthly while in operation, or more often as required by local school board regulation, for mechanical defects. Records of such examinations shall be kept on file by the local school boards.

(5) No school bus shall be loaded beyond the gross vehicle weight rating as certified by the manufacturer of said bus.

Section 2. Any person who violates any of the provisions of this Act shall be guilty of a misdemeanor and fined not less than ten dollars nor more than one hundred dollars for each separate offense.

HB 540, AN ACT relating to the defense of contributory negligence in actions for injury to persons or property or for wrongful death.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) In all actions hereafter accruing for negligence resulting in personal injury or wrongful death or injury to property, including those in which the defendant has had the last clear chance to avoid the injury, the contributory negligence of the person injured, or of the deceased, or of the owner of the property, or of the person having control over the property, shall not bar a recovery, but the damages awarded shall be diminished in proportion to the amount of negligence attributable to the injured person or to the deceased or to the owner of the property or to the person having control over the property.

(2) In any action to which subsection (1) of this Act applies, the court shall make findings of fact or the jury shall return a special verdict which shall state:

(a) The amount of the damages which would have been recoverable if there had been no contributory negligence; and

(b) The extent to which such damages are diminished by reason of such contributory negligence.

HB 581, AN ACT relating to old-age assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) The minimum amount of assistance to be paid to any person otherwise entitled to old-age assistance shall not be less than sixty dollars per month.

(2) If appropriations for purposes of this Section, together with funds provided from any other source are insufficient to fully comply with its provisions as to every person entitled to old-age assistance, such minimum payment funds as are available shall be prorated among all persons entitled to old-age assistance.

Section 2. The Commissioner of Economic Security shall immediately negotiate with the Secretary of Health, Education and Welfare to secure approval of a state plan for administration of this Act in connection with the federal old-age assistance law. Until such time as approval is obtained, the provisions of this Act shall not be operative.

HB 533, AN ACT relating to communications.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Any person who sells, distributes or uses any form of pay television wherein a television set is so arranged to receive money or wherein it is necessary for the user to contract to pay money in order to view a certain program which is otherwise unavailable, excepting regular time-rental sets used in hotels and motels, shall, upon conviction, be fined not less than one hundred dollars nor more than five hundred dollars.

HB 625, AN ACT making unlawful certain competitive practices relating to selling or advertising any article or product, or any service or output of a service trade.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (1) of section 365.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in KRS 365.040, no person engaged in business within this state shall sell, offer for sale or advertise for sale any article or product, or service or output of a service trade, at less than the cost thereof to such vendor, or give, offer to give or advertise the intent to give away any article or product, or service or output of

a service trade, for the purpose of injuring competitors and destroying competition. Evidence of advertisement, an offer to sell, or sale of any article or product, or service or output of a service trade, at less than cost (as defined in this section) shall be prima facie evidence of intent to injure competitors and to destroy competition.

HB 347, AN ACT relating to second-class city government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The people of any second-class city may choose to adopt articles of government to the end that self-government in all municipal matters may be realized, except as to any conflict with the provisions of the Constitution of the Commonwealth of Kentucky. Such articles of government and ordinances enacted pursuant thereto shall supersede within the territorial limits of the city any state law in conflict therewith.

Section 2. (1) A proposal for calling a convention to frame articles of government may be made either by a three-fourths vote of all the members of the existing city legislative body or by a petition filed with the body signed by qualified voters equal in number to twenty-five percent of the votes cast in the last municipal election.

(2) Upon the occurrence of either of the conditions set out in subsection (1), the county clerk shall print the proposal upon the ballots to be used by the voters of the city in the next general election, which proposal shall be stated in the form of a question asking the voter whether he favors calling a convention to frame articles of local government. The question shall be submitted to the voters of the city at the next regular election.

(3) If a majority of those voting on the question are in favor of a convention, members of the convention shall be elected at the next following regular election.

Section 3. The convention shall consist of fifteen city residents to be elected from the city at large, except that if the city is already divided into wards, the proposal calling the convention may stipulate that one member be elected from each ward and that the remaining members be elected from the city at large. Candidates shall be nominated by petition as provided by KRS 118.080, and elected under the provisions of the regular election laws.

Section 4. The convention shall draft articles of government, which shall include provisions for city legislative and administrative organization, and shall provide a method for amendment of the articles by popular action.

Section 5. The proposed articles of government shall be published at least once a month for six consecutive months in a newspaper of general circulation in the city. At the first regular election after publication, the articles shall be presented to the voters of the city for ratification or rejection, under the provisions of KRS 118.170. If a majority of those voting ratify the articles, the city shall be effectively governed by the articles from the first day of the year following the year in which the articles were ratified, and the city shall not be subject to KRS 84.010 to 84.370 or KRS 84.990.

Section 6. With the exception of amendments proposing changes in the number of members of the legislative body, the administrative organization of municipal government, and the method or manner of conducting municipal elections, which shall be approved by a majority of the qualified voters of the city under the procedure provided by the articles, the articles may be amended by a four-fifths vote of all members of the legislative body provided by the articles.

Section 7. This Act is not intended to preclude state administrative assistance and guidance for second-class cities, or state-municipal cooperation in the administration of any applicable law.

HR 82, A JOINT RESOLUTION authorizing civil action against the Commonwealth of Kentucky, the Department of Public Safety and Division of Kentucky State Police, or any or all of them, in the interest of Edgar Osborne.

WHEREAS, it appears that Edgar Osborne was injured as a result of being struck by a Kentucky State Police cruiser automobile operated by the Department of Public Safety, Division of Kentucky State Police, on or about June 4, 1957;

WHEREAS, it further appears that this accident may have occurred as a proximate result of negligence on the part of the Commonwealth, the Department of Public Safety, or its employes; and

WHEREAS, the alleged damages to the person involved exceed the jurisdictional amount of the Board of Claims;

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That Edgar Osborne is authorized to sue the Commonwealth of Kentucky, the Department of Public Safety and Division of Kentucky State Police, or any or all of them, in the Pike Circuit Court, for damages arising out of an accident which occurred on or about the 4th day of June, 1957, in Pike County, Kentucky, allegedly involving possible negligence on the part of the Commonwealth, the Department of Public Safety, or their employes; that the action shall be commenced within one year from the effective date of this Resolution, and that no plea of limitation shall be interposed if commenced within that time;

Section 2. That such action shall be for a sum in excess of $5,000;

Section 3. That the Attorney General of the Commonwealth of Kentucky may investigate the claim and settle same before or after suit is filed if he deems it advisable;

Section 4. That any amount recovered in this action, either by settlement or judgment, shall be paid out of the General Fund in the State Treasury upon warrant drawn by the Commissioner of Finance;

Section 5. That final judgment in the action may be appealed by either party to the Court of Appeals in the manner provided in the Rules of Civil Procedure; and

Section 6. That no statement in this Resolution shall be considered by either the court or jury as an admission of negligence upon the part of the Commonwealth, and this Resolution shall not be introduced, nor commented upon by counsel in presence of the jury.

HR 111, A JOINT RESOLUTION appropriating three thousand dollars for rebinding court record books.

WHEREAS, fires in courthouses of the Commonwealth have resulted in the loss or damage of many court records.

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

That there be set aside from the General Fund the sum of three thousand dollars to be used for rebinding county and circuit court record books damaged by fires.

HB 609, AN ACT relating to partnerships.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 362.040 of the Kentucky Revised Statutes is amended to read as follows:

A limited partnership may consist of one or more persons as general partners, with the powers and responsibilities of partners, and one or more persons as special partners who, contributing a specific amount of cash, actually paid in as capital, or, in lieu of cash, securities listed on a national stock exchange having a market value of the equivalent of such cash, shall not be personally liable for the debts or responsibilities of the firm, except as provided in this chapter, and shall not have any power to bind the firm or manage its affairs.

HB 612, AN ACT relating to investment of funds by the board of trustees of state employes and county retirement systems.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 61.650 of the Kentucky Revised Statutes is amended to read as follows:

Section 1. The board shall be the trustee of the several funds created by KRS 61.510 to 61.700. It shall have power to invest up to seventy-five percent in:

(a) United States Government bonds for which the faith of the United States of America is pledged for the payment of the interest and principal;

(b) Obligations of the Commonwealth of Kentucky and obligations of its departments and agencies, including revenue bonds when the full faith of the Commonwealth is pledged for the payment of interest and principal.

Section 2. The board may invest up to twenty-five percent of the assets of the retirement system's funds available for investment purposes in building revenue bonds legally issued by school districts for which payments of interest and principal are properly pledged.

Section 3. The board may invest in bonds issued by corporations organized under the laws of the United States or of any state in the United States, or of the District of Columbia, when such bonds have a rating of the highest or next highest classification made by a nationally recognized major rating service, but no more than twenty-five percent of the assets of the retirement system available for investment purposes shall be so invested.

Section 4. The board shall have full power to hold, purchase, sell, assign, transfer or dispose of, any of the securities or investments in which any of the funds created herein have been invested, as well as of the proceeds of such investments and any monies belonging to such funds. At the maturity date of any securities or investments now held, the proceeds shall be invested according to the provisions of this Act. No investment of retirement system funds shall be made unless authorized by resolution adopted by the board.

Section 5. There is hereby created a new section of the Kentucky Revised Statutes which shall read as follows:

The board of trustees of any county retirement system may invest any funds available for investment purposes in the same manner as provided for in investment of such funds by the Kentucky Employes Retirement System.

HB 616, AN ACT relating to compensation of state officers and employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.640 of the Kentucky Revised Statutes is repealed and re-enacted to read as follows:

(1) Except as otherwise provided in Section 2, the Department of Personnel shall prepare a schedule of compensation, payable out of the state treasury, with a minimum and maximum salary rate and such intermediate salary rates as are deemed necessary or advisable for the office or position of employment of every state officer and employe, including specifically the officers and positions of employment in every constitutional administrative department, statutory administrative department, independent agency or other unit of state government, but excluding specifically officers elected by popular vote, commissioners of the Court of Appeals, employes of the General Assembly, including employes of the Legislative Research Commission, members of boards and commissions and presidents and employes of the University of Kentucky and the state colleges.

(2) Such schedule shall be based upon studies of the duties and responsibilities of the offices and positions and upon a comparison with rates being paid for similar or comparable services elsewhere and in the preparation of such schedules, the Department of Personnel shall ascertain and record the duties, responsibilities and authority pertaining to the various offices and positions in state service, and classify such positions in the manner provided in Chapter 18 of the Kentucky Revised Statutes. No such schedule shall become effective until it has been approved by the Governor.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

The Governor shall set the compensation payable out of the state treasury to each office or position in the state service hereinafter named but such compensation shall not exceed the following maximum sums:

(1) The heads of all statutory administrative departments as listed in KRS 12.020 and the Department of Military Affairs, $12,000;

(2) Administrator of Distilled Spirits Unit, Administrator of Malt Beverage Unit, Director of Kentucky Crippled Children's Commission, Executive Director of the State Tuberculosis Sanitoria Commission, Manager of Kentucky State Fair, Reviser of Statutes, Chairman of Public Service Commission, $10,000;

(3) Members of the Public Service Commission of Kentucky other than the chairman, and of the Workmen's Compensation Board and heads of statutory departments and agencies other than those named in subsections (1) and (2), $7,500; and

(4) Advisory Highway Commissioners, $7,200.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The compensation payable out of the State Treasury to officers and employes subordinate to any office or position listed in Sec-

tion 2 shall not exceed the maximum rates established therein for such office or position except with respect to physicians as provided in KRS 64.655 and employes of the Public Service Commission of Kentucky whose compensation shall be fixed within constitutional limits by the Department of Personnel with the approval of the Governor as provided in Section 1.

(2) The compensation payable out of the state treasury to any subordinate officer or employe in any department, agency, board or commission of the state government not covered by subsection (1) and except elective officers and their employes shall not exceed $7,500 per annum, provided however that doctors of veterinary science may be paid not to exceed $10,000 per annum.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

Nothing in this Act shall preclude the allowance of maintenance to officers and employes of the Commonwealth.

HB 615, AN ACT relating to the sale of motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of KRS 190.010 to 190.080 is created to read as follows:

The license fee for each calendar year, or part thereof, shall be as follows, effective January 1, 1959.

(1) For motor vehicle dealers, twenty-five dollars for each office or branch or agent thereof, plus one dollar for a supplemental license for each used car lot not immediately adjacent to the office or to a branch.

(2) For distributors or wholesalers, the same as for dealers.

(3) For motor vehicle salesmen, five dollars.

(4) For motor vehicle manufacturers, twenty-five dollars, and for each factory branch in this state, twenty-five dollars.

(5) For factory representative or distributor branch representative, five dollars.

(6) Any person licensed under subsection (1) may also operate as a motor vehicle dealer, without any additional fee or license.

Section 2. A new section of KRS 190.010 to 190.080 is created to read as follows:

All moneys collected under the provisions of KRS 190.010 to 190.080 shall be paid into the State Treasury and credited to a trust and agency fund which is hereby appropriated to the use of the Department of Motor Transportation solely for the administration and enforcement of KRS 190.010 to 190.080 and 190.990.

HR 44, A JOINT RESOLUTION authorizing Jack Adams, as guardian of Edwin J. Adams, to sue the Commonwealth of Kentucky and the Department of Highways, or either of them.

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That Jack Adams, as Guardian of Edwin J. Adams, is authorized to sue, either jointly or severally, the Commonwealth of Kentucky and the Department of Highways, or either, in the Floyd Circuit Court, for damages resulting to Edwin J. Adams from personal injuries and medical expense caused by the alleged negligence of the Commonwealth of Kentucky and the Department of Highways in the construction and maintenance of Kentucky Highway No. 1428 (Allen-Dwale Highway) in Floyd County on or about August 3, 1957.

Section 2. Said suit or suits shall be for a sum or sums not to exceed Twenty-five Thousand ($25,000.00) Dollars.

Section 3. The Attorney General may investigate the claim or claims herein, and settle the said claim or claims before or after suit is filed, if he deems it advisable. Any amount recovered in said suit or suits, or by settlement with the Attorney General, shall be paid out of the General Expenditure Fund in the State Treasury upon warrant drawn by the Commissioner of Finance upon the State Treasurer.

Section 4. In the event suit or suits are filed, and judgment rendered by the Circuit Court, either party or parties may appeal to the Court of Appeals of Kentucky.

Section 5. No statement in this resolution shall be considered by either the court or the jury as an admission of negligence upon the part of the Commonwealth and/or the Department of Highways; and this resolution shall not be introduced in evidence, nor commented upon by counsel in argument to the jury.

Section 6. No plea of limitations shall be interposed.

AFFIDAVIT

Affiant, Jack Adams, says he is the father and statutory guardian of Edwin J. Adams who was injured in an automobile accident on August 3, 1957, in Floyd County, Kentucky, on the Allen-Dwale Highway Number 1428.

Affiant says that so far as he had (has) discovered there were no eye-witnesses to the accident, the two passengers with his son were instantly killed and the son who suffered severe brain injuries has no recollection of the occurence.

The boy, Edwin J. Adams, is a high school graduate, 19 years of age, good habits and demeanor, a careful, good driver, who has been driving for approximately five years without ever having been involved in any kind of automobile collision or accident.

One of the girls in the automobile was a girl-friend of Edwin J. and he had often visited her home on the Allen-Dwale Highway going by way of Prestonsburg in a southeastern direction.

However, on the night in question this young couple together with another young girl had got together at Allen, Kentucky, and in taking these girls to their homes, they entered the Allen-Dwale Highway at Allen, Kentucky, proceeding in a northwestern direction.

Edwin J. Adams was not familiar with this portion of the Highway and, about two or three miles from Allen, Ky. his vehicle left the Highway and ran over what may be called a precipice, and landed about 250 feet away. Here, the trio were found—the girls dead, and the boy unconscious as he remained for a period of three or four weeks. Dr. Paul Ross, Louisville, Kentucky, recently told Edwin Adams of the tragedy, but he still has no recollection of it.

At the point where the vehicle left the highway a slide had occurred which covered part of the left-hand side of the highway. This slide had been on the highway for a few weeks before the accident. Here, the cut is straight up and down, in fact a precipice the edge of which is within three or four inches of the right edge of the blacktop. The travelable portion of the highway was about nine feet in width.

Immediately before reaching the scene there is an extremely bad curve which must be manipulated at a speed of not exceeding 15 to 20 miles an hour. There were no tire marks, or indication that brakes had been applied or that the car had swerved in going around the curve, or beyond it, a distance of about 60 feet where the vehicle left the road.

The Highway Department was aware of the condition of the road; several accidents had previously happened at the same point under the existent condition of the road; no signs of a curve, or warning, or caution, or guard rails, had been placed before, or near the scene of the accident. It was a place peculiarly adaptable to accident for motor vehicles, being of the nature a veritable death-trap.

This January 25, 1958.

/s/ JACK ADAMS

Jack Adams says that the statements contained in the foregoing Affidavit are true.

/s/ JACK ADAMS

Subscribed and sworn to before me by Jack Adams this 1/25/58.
My commission expires Sept. 13, 1961. /s/ DOROTHY MANN
(Seal)

SR 36, A JOINT RESOLUTION authorizing civil action against the Commonwealth of Kentucky and the Department of Highways, or either, in the interest of Andrew Taylor, Cecil Taylor, and T. W. Taylor.

WHEREAS, it appears by affidavit that beginning in the fall of 1955 and continuing through the fall of 1956 the Commonwealth of Kentucky, acting through and by the Department of Highways of said Commonwealth, constructed a levee and bridge across the East Fork of Clark's River, said levee and bridge being Southeast of the Town of Almo, Kentucky, in the County of Calloway, and constituting a part of what is now known as the Almo-Shiloh Road, and

WHEREAS, it appearing further by affidavit that said levee and bridge were inadequately, improperly, and negligently planned, engineered, and constructed, and

WHEREAS, the above-mentioned parties, together with others, timely notified the proper officials as to the above, and protested same, and

WHEREAS, it appears by affidavit that the aforesaid Andrew Taylor, Cecil Taylor, and T. W. Taylor (the owners of land immediately North of said levee and bridge) have been, and are being damaged by the aforementioned negligence, said negligence being the direct and proximate result of the alleged carelessness and negligence aforesaid, and

WHEREAS, it further appears by affidavit that said Andrew Taylor has been damaged in a sum exceeding $5,000.00, and the collective damages sustained by the three (3) landowners aforementioned being $13,817.00, and

WHEREAS, it appears by affidavit that said damage suffered by each of the property owners aforementioned arises out of the same, identical acts of negligence complained of;

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That Andrew Taylor, Cecil Taylor, and T. W. Taylor are hereby authorized and permitted to sue the Commonwealth of Kentucky and the Department of Highways, or either of them, in the Calloway Circuit Court, this being the county of their residence, and the Circuit Court having jurisdiction in Calloway County, Kentucky, and the same County in which the alleged negligent acts were committed and the resultant damages incurred.

Section 2. Said suit shall be commenced within one (1) year from the effective date of this Resolution, and no plea of limitation shall be interposed if commenced within that time.

Section 3. That the aforementioned parties are hereby authorized and permitted to file suit jointly or severally for sums not exceeding the following, to-wit:

(A) Andrew Taylor: $5,207.50
(B) Cecil Taylor: $4,859.50
(C) T. W. Taylor: $3,750.00,

the aggregate amount of said suits not to exceed the sum of $13,817.00.

Section 4. That any party to such action may appeal from any judgment which may be entered by the Calloway Circuit Court to the Court of Appeals of Kentucky as in any other civil suit and this suit may be settled and adjusted by and with the censent and approval of the Attorney General of Kentucky in the same way as any civil action may be settled or adjusted. If recovery is had by suit or compromise, the amount so adjusted or compromised shall be paid out of the State Road Fund, upon warrant drawn by the Commissioner of Finance upon the State Treasurer.

Section 5. That final judgment in the action may be appealed by either party to the Court of Appeals in the manner provided in the Rules of Civil Procedure; and

Section 6. No statement in this Resolution shall be considered by either the court or jury as an admission of negligence upon the Department of Highways or the Commonwealth of Kentucky, and this Resolution or any portion thereof shall not be introduced in evidence, nor commented upon by counsel in argument to the jury.

HR 55, A JOINT RESOLUTION authorizing Arnie Brown of Carlisle County, Kentucky, to sue the Department of Highways and the Commonwealth of Kentucky, or either.

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That Arnie Brown, a citizen of Carlisle County, Kentucky, is hereby authorized to sue the Department of Highways and the Commonwealth of Kentucky or either of them in such sums as will fairly and reasonably compensate him for injury and damages, if any, sustained as a direct and approximate result of the negligence of the Commonwealth of Kentucky or the Department of Highways thereof, if any, in the construction of Kentucky State Highway No. 440.

Section 2. Said suit shall be for a sum not in excess of seven thousand five hundred dollars.

Section 3. That the action herein authorized and permitted may be brought in the Carlisle Circuit Court, same being the circuit court having jurisdiction in Carlisle County, Kentucky, the county in which the damages and injuries were incurred. Said suit shall be commenced within one year from the effective date of this Resolution, and no plea of limitation shall be interposed if commenced within that time.

Section 4. That any party to such action may appeal from any judgment which may be entered by the Carlisle Circuit Court to the Court of Appeals of Kentucky as in any other civil suit and this suit may be settled and adjusted by and with the consent and approval of the Attorney General of Kentucky in the same way as any civil action may be settled or adjusted. If money is had by suit or compromise the amount so adjudged or compromised shall be paid out of the State Road Fund in the State Treasury upon warrant drawn by the Commissioner of Finance upon the State Treasurer.

Section 5. No statement in this Resolution shall be considered by either the Court or the jury as an admission of negligence upon the part of the Commonwealth of Kentucky and the Department of Highways, or either, and this Resolution shall not be introduced as evidence nor commented upon by counsel in arguments to the jury.

HR 112, A JOINT RESOLUTION authorizing civil action against the Commonwealth of Kentucky and the Department of Highways of Kentucky, or either of them, in the interest of Carlos Vincent Clark.

WHEREAS, it appears by affidavit that Carlos Vincent Clark was permanently injured and certain of his property destroyed as the result of an automobile accident which occurred on or about December 19, 1957, near Sturgis, Kentucky;

WHEREAS, it appears by affidavit that this accident may have occurred as the proximate result of negligence on the part of the Commonwealth, the Department of Highways, or their employes, in that it was allegedly caused by and through the gross negligence in the construction and maintenance of highway U.S. 60, at or near the place of the accident; and

WHEREAS, the alleged damages to the person and property involved exceed the jurisdictional amount of the Board of Claims;

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That Carlos Vincent Clark is authorized to sue the Commonwealth of Kentucky, in the Union Circuit Court, for damages arising out of an accident which occurred on or about December 19, 1957, near Sturgis, in Union County, allegedly involving possible negligence on the part of the Commonwealth, or its employes; that the action shall be commenced within one year from the effective date of this Resolution, and that no plea of limitation shall be interposed if commenced within that time;

Section 2. That such action shall be for a sum not in excess of $47,250;

Section 3. That the Attorney General of the Commonwealth of Kentucky may investigate the claim and settle same before or after suit is filed if he deems it advisable;

Section 4. That any amount recovered in this action, either by settlement or judgment, shall be paid out of the Road Fund in the State Treasury upon warrant drawn by the Commissioner of Finance upon the State Treasurer;

Section 5. That final judgment in the action may be appealed by either party to the Court of Appeals in the manner provided in the Rules of Civil Procedure; and

Section 6. That no statement in this Resolution shall be considered by either the court or jury as an admission of negligence upon the part of the Commonwealth, and this Resolution shall not be introduced as evidence, nor commented upon by counsel in presence of the jury.

HB 375, AN ACT relating to veterinarians.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 321.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) All licenses to practice veterinary medicine in this Commonwealth which have heretofore been issued under the laws of this Commonwealth and which have not been revoked and which are in effect on March 29, 1948, shall continue to be valid under the terms of this chapter and may be renewed from year to year, as hereinafter provided, but shall be subject to revocation as in this chapter provided. The holder of any such existing valid license shall not be required to take any other or further examination unless said license be revoked or suspended as provided in this chapter, but each said license shall be renewed annually on or before June 30 in each year. Every licensed veterinarian shall have his license renewed each year on or before June 30, the renewal to be as of July 1 of each year.

(2) Any person who had been a practitioner of veterinary medicine, surgery or dentistry in this Commonwealth for a period of one year next prior to March 24, 1916, upon application to the board and the payment to the board of a fee of twenty-five dollars, shall be entitled to a license, and said board shall issue to such applicant a license on the standard form used and approved by the board, signed by its chairman and secretary-treasurer and attested by its seal, which license he shall have recorded in the office of the county court clerk of the county in which he resides, as provided in KRS 321.290. No

license shall be issued under the provisions of this subsection after the 30th day of June, 1948, except as to applications filed with the board prior to said date.

(3) Any resident of Kentucky who has a high school education or the equivalent thereof, who was practicing veterinary medicine as many as five years prior to 1948 and who has practiced fifteen years or more, shall be granted a license to practice upon submitting a verified statement setting up the facts showing such practice. No further examination shall be required, and such license may be renewed annually as provided in subsection (1). The fee for issuing the license shall be twenty-five dollars.

Committee Amendment No. 1

Amend printed copy of **HB 375** on page 1, section 2 after the words "and the board shall designate the area in which to practice it being an area where such services are not available."

Committee Amendment No. 2

Amend printed copy of **HB 375** on page 2, subsection (3), lines 29-30 by deleting the words: "who has a high school education or the equivalent thereof,"

Orders of the Day

HB 231 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read for the third time and placed on passage. Agreed.

HB 231 read for the third time.

On roll call, the vote was: Yeas, 76—Anderson, Arnold, Bach, Barton, Billington, Breckinridge, Brown, Buckner, Burke, Burress, Bush, Chaudoin, Clore, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Farmer, Fields, Finney, Fitzpatrick, Ford, Gullette, Hale, Haley, Hall, Hart, Henry, Hinkle, Hodges, Hopkins, Howard, Huddleston, Isler, H. N. Johnson, Kincer, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Peace, Qualls, Ratcliffe, Rausch, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, R. Reynolds, Searcy, Smith, Steiger, Stith, Tanner, Tinsley, S. R. Thomas, Walsh, Wathen, Wells, Willen, Wilson, Wirsch; Nays, 0.

HB 231 was passed and the title agreed to.

HB 132 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 80—Anderson, Arnold, Bartley, Barton, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Burress, Bush, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis,

W. F. Davis, Dempsey, Duff, Farmer, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, Isler, H. N. Johnson, Kincer, Kubale, Lyon, McCallum, McGuire, McReynolds, Mackey, Newberry, Ockerman, Parrish, Peace, Qualls, Ratcliffe, Rausch, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, R. Reynolds, Searcy, Smith, Steiger, Stith, Tanner, Tinsley, S. R. Thomas, Wathen, Wells, Whitehead, Willen, Wilson, Wirsch, Young; Nays, 0.

HB 132 was passed and the title agreed to.

Representative Fitzpatrick moved that the vote by which **HB 132** was passed be reconsidered and said motion laid on the table. Agreed.

HB 174 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 48—Anderson, Arnold, Bach, Barton, Billington, Breckinridge, Buchanan, Buckner, Burke, Bush, Chaudoin, Clore, Combs, M. W. Cook, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Duff, Farmer, Fields, Finney, Greene, Haley, Hart, Henry, Hinkle, Hopkins, Isler, Kincer, Lovelace, McGuire, Peace, Qualls, Ratcliffe, Rausch, Ray, Raybourne, Rayburn, Render, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Walsh, Weintraub; Nays, 24—Brown, Bill Cornett, P. W. Cornett, Dempsey, Fitzpatrick, Ford, Gullette, Hale, Hall, Hodges, Howard, H. Nick Johnson, Lowman, Lyon, McReynolds, Newberry, Parrish, C. R. Reynolds, R. Reynolds, Wathen, Wells, Willen, Wilson, Young.

HB 174 was defeated.

HB 583 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read for the third time and placed on passage. Agreed.

Representative Huddleston moved that the bill be tabled. Agreed.

HB 561 taken from Orders of the Day on recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 75—Anderson, Arnold, Bach, Barton, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Burress, Bush, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Farmer, Fields, Finney, Ford, Greene, Gullette, Hale, Haley, Hall, Hinkle, Hopkins, Howard, Huddleston, Isler, H. N. Johnson, Kincer, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Moore, Newberry, Ockerman, Parrish, Peace, Ratcliffe, Rausch, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Tinsley, Walsh, Wathen, Wells, Whitehead, Willen, Wilson, Wirsch, Young; Nays, 0.

HB 561 was passed and the title agreed to.

HB 562 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 74—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Burress, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Farmer, Fields, Finney, Fitzpatrick, Ford, Greene, Gullette, Hale, Haley, Hall, Hart, Henry, Hinkle, Hodges, Hopkins, Howard, Isler, H. N. Johnson, Kincer, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Moore, Newberry, Ockerman, Parrish, Ratcliffe, Rausch, Ray, Raybourne, Render, C. R. Reynolds, R. Reynolds, Searcy, Sowards, Steiger, Stith, Tanner, Tinsley, Walsh, Wathen, Wells, Willen, Wilson, Wirsch, Young;Nays, 1—Hislope.

HB 562 was passed and the title agreed to.

Representative Ockerman moved that the vote by which **HB 562** was passed be reconsidered and said motion laid on the table. Agreed.

Introductions

The following Bills and Resolutions were introduced:

HR 115, by Representative Tinsley, A JOINT RESOLUTION authorizing civil action against the Commonwealth and the Department of Highways, or either of them, in the interest of the estate of Florence Reule.

HR 118, by Representative Willen, A JOINT RESOLUTION directing the Legislative Research Commission to study the feasibility and desirability of erecting and maintaining a nondenominational chapel in the New Capitol Building.

HB 119, by Representative Lowman, A JOINT RESOLUTION authorizing and directing a study and general revision of the law of eminent domain.

HB 642, by Representative Chaudoin, AN ACT relating to real estate brokers and salesmen.

HB 643, by Representative Chaudoin, AN ACT relating to insurance and amending KRS 304.512.

HB 644, by Representatives Duff, H. Nick Johnson, R. Reynolds, AN ACT relating to electrical safety.

HB 645, by Representative Lowman, AN ACT relating to amateur boxing and wrestling.

HB 646, by Representatives Hinkle, Buchanan, Tinsley, AN ACT relating to death benefits payable under the Teachers Retirement System.

HB 647, by Representative Fitzpatrick, AN ACT relating to fiscal management assistance by the State Government to cities of the fourth, fifth and sixth classes.

HB 648, by Representative Gay, AN ACT relating to notaries public.

HB 649, by Representative Fitzpatrick, AN ACT relating to house trailers.

Representative Fitzpatrick moved that the House adjourn until 1:00 p.m., March 13. Agreed.

THURSDAY, MARCH 13, 1958

FIFTY-THIRD LEGISLATIVE DAY

The House was called to order by the Speaker, Mr. Weintraub.

Invocation by the Reverend Carter Roberts, of the Church of the Nazarene, of Frankfort.

The roll call indicated all members present except Anderson, Baumgardner, Hahn, Huston Johnson, Miller, Nunn, Ratcliffe, Russell Reynolds, Richards.

Absent members granted leaves of absence on motion of Representative Chaudoin.

Representative Isler moved that the reading of the Journal for March 12 be dispensed with and the same approved. Agreed.

Orders of the Day

HB 526 taken from Orders of the Day on recommendation of the Rules Committee. Representative Searcy moved that it be read for the third time and placed on passage. Agreed. Representative Searcy moved the Previous Question. Agreed.

HB 526 read for the third time.

On roll call, the vote was: Yeas, 0; Nays, 90—Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Burress, Bush, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, Isler, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Peace, Qualls, Rausch, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Tinsley, Ed Thomas, S. R. Thomas, Walsh, Wathen, Weintraub, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young.

HB 526 was defeated.

Representative Searcy moved that the vote by which **HB 526** was defeated be reconsidered and said motion laid on the table. Agreed.

Reconsideration

Representative Fitzpatrick moved that the vote by which **HB 174** was defeated be reconsidered. Agreed.

On roll call for reconsideration, the vote was: Yeas, 68—Arnold, Bach, Barton, Billington, Breckinridge, Buchanan, Buckner, Burke, Bush, Chaudoin, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Fields, Finney, Fitzpatrick, Greene, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Huddleston, Isler, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, McCallum, McGuire, McReynolds, Mackey, Moore, Nunn, Ockerman, Parrish, Peace, Qualls, Rausch, Ray, Raybourne, Rayburn, C. R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Tinsley, Ed Thomas, S. R. Thomas, Walsh, Williams, Wilson, Wirsch; Nays, 10—Ford, Gay, Hale, Gullette, Howard, Lyon, Newberry, Wathen, Wells, Young.

HB 174 was passed and the title agreed to.

Orders of the Day

Senate Committee Substitute for **HB 133** ordered read at length to the House. The Clerk read the bill as ordered.

Representative Ockerman proposed the following amendment to Senate Committee Substitute for **HB 133:**

Amendment No. 1

Amend printed copy of Senate Committee Substitute for **HB 133** on page 2, section 1 (2), line 14 by inserting after the word "first" and before the word "class" the words "or second."

Adopted.

On roll call for passage of **HB 133** as amended by Senate and House, the vote was: Yeas, 71—Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Buchanan, Buckner, Burke, Burress, Bush, Chaudoin, Clore, Coffey, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Dempsey, Duff, Farmer, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hale, Haley, Hart, Hinkle, Hopkins, Huddleston, Isler, H. N. Johnson, Kincer, Kingsbury, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Peace, Qualls, Rausch, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, Searcy, Sowards, Steiger, Tanner, Tinsley, S. R. Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Wilson, Wirsch, Young; Nays, 1—Howard.

Representative Lowman offered the following title amendment to **HB 133:**

Title Amendment

Amend the title of **HB 133** as follows: This shall be known as the Lyon Act.

Adopted.

HB 133 was passed and the title agreed to.

Senate Title Amendment to **HB 149** ordered read to the House, and the Clerk so read the following amendment:

Title Amendment

Amend title of **HB 149** to read as follows: AN ACT relating to election expenses and to be known as the Buchanan-Cornett-Clay Bill.

House concurred by voice vote.

Calendar

HB 206, HB 36, SB 208, HB 289, HR 113, SB 43, HB 640, SB 51, HB 608, SB 144, HB 629, HB 603, SR 56, HB 471, HB 589, HB 628, SB 138, HB 611, HB 626, HB 599, HB 610, HB 540, HB 581, HB 533, HB 625, HB 347, HR 82, HR 111, HB 609, HB 612, HB 616, HB 615, HR 44, SR 36, HR 55, HR 112, HB 375 ordered read at length for the second time. Ordered placed in Orders of the Day.

Orders of the Day

SB 9 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read for the third time and placed on passage. Agreed. Representative Fitzpatrick moved the Previous Question on **SB 9.**

On roll call, the vote was: Yeas, 47—Bach, Bartley, Billington, Brown, Buchanan, Buckner, Bush, Chaudoin, Clore, Coffey, Combs, P. W. Cornett, Cottengim, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Gay, Greene, Gullette, Hale, Hart, Henry, Hodges, H. N. Johnson, Kincer, Kubale, Lovelace, Lyon, McReynolds, Newberry, Peace, Qualls, Rayburn, Reed, C. R. Reynolds, Sowards, Stith, Tinsley, Ed Thomas, Whitehead, Willen, Wilson, Wirsch; Nays, 37—Arnold, Breckinridge, Barton, Burke, Burress, M. W. Cook, Bill Cornett, Crecelius, P. F. Davis, Farmer, Ford, Hall, Hinkle, Hopkins, Howard, Huddleston, Kingsbury, Lowman, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne, Render, Searcy, Smith, Steiger, Tanner, Walsh, Wells, Williams, Young.

Motion rejected.

Representative Ray moved to amend **SB 9** as follows:

Amendment No. 1

Amend printed copy of **SB 9** on pages 2 and 3, subsection (1), line 31 by striking all of lines 31 through 55, inclusive.

On roll call for Amendment No. 1, the vote was: Yeas, 37—Arnold, Barton, Breckinridge, Burke, Chaudoin, M. W. Cook, Bill Cornett, Crecelius, P. F. Davis, Farmer, Ford, Hall, Hinkle, Hopkins, Howard, Huddleston, Kincer, Kingsbury, Lowman, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne, Searcy, Smith, Steiger, Tanner, Walsh, Wells, Williams, Young; Nays, 38—Bach, Bartley, Billington, Buchanan, Buckner, Burress, Bush, Clore, Combs, Cottengim, W. F. Davis, Dempsey, Duff, Everett, Finney, Fitzpatrick, Gay, Gullette, Hale, Hart, Hodges, Isler, H. N. Johnson, Kubale, Lovelace, McReynolds, Peace, Rayburn, Reed, C. R. Reynolds, Sowards, Stith, Ed Thomas, Tinsley, Wathen, Willen, Wirsch, Weintraub.

Rejected.

Representative Young proposed the following amendment to **SB 9:**

Amendment No. 2

Amend printed copy of **SB 9** on page 2, section 1, lines 37-40 immediately following the word passage, by striking therefrom the balance of line 37 and all of lines 38, 39 and 40 and substituting therefor the following:

"If during the ten days next following the passage of such ordinance, a petition signed by a number of registered voters equal to twenty-five percent of the votes cast in the city at the last preceding general election,"

On roll call for Amendment No. 2, the vote was: Yeas, 36—Arnold, Barton, Breckinridge, Burke, M. W. Cook, Bill Cornett, Crecelius, P. F. Davis, Farmer, Ford, Hall, Hinkle, Hislope, Hopkins, Huddleston, Kingsbury, Lowman, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne, Searcy, Smith, Steiger, Tanner, Walsh, Wells, Whitehead, Williams, Young; Nays, 39—Bach, Bartley, Billington, Buchanan, Buckner, Burress, Bush, Clore, Coffey, Combs, Cottengim, Dempsey, W. F. Davis, Duff, Everett, Finney, Fitzpatrick, Gay, Gullette, Hale, Hart, Hodges, Isler, H. N. Johnson, Kubale, McReynolds, Peace, Qualls, Rayburn, Reed, C. R. Reynolds, Sowards, Stith, Ed Thomas, Tinsley, Wathen, Willen, Wirsch, Weintraub.

Rejected.

On roll call for passage of **SB 9**, the vote was, Yeas, 59—Arnold, Bach, Bartley, Barton, Billington, Buchanan, Buckner, Burress, Bush, Clore, Coffey, Combs, Bill Cornett, P. W. Cornett, Cottengim, W. F. Davis, Dempsey, Duff, Everett, Finney, Fitzpatrick, Gay, Gullette, Hale, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, H. N. Johnson, Kingsbury, Kubale, Lyon, McCallum, McGuire, McReynolds, Mackey, Newberry, Peace, Qualls, Rayburn, Reed, Render, C. R. Reynolds, Smith, Sowards, Stith, Tanner, Tinsley, Ed Thomas, S. R. Thomas, Wathen, Wells, Willen, Wilson, Wirsch; Nays, 21—Breckinridge, Burke, M. W. Cook, Crecelius, P. F. Davis, Farmer, Ford, Hall, Lowman, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Searcy, Steiger, Walsh, Whitehead, Williams, Young.

SB 9 was passed and the title agreed to.

Senate Message

Senate message announcing passage of **SB 142, SB 201, SB 248, SB 264, SB 267, SB 286, SB 287, SB 291, SB 307, SB 309, SB 303, SR 45, SR 79, SR 89, HB 470.**

Report on Enrolled Bills

The Committee on Enrollment reported that **HB 202, HB 149, HB 250, HB 340, HB 187, HB 147, HB 112** had been examined and found correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered that the original and enrolled copies be delivered to the Senate.

Introductions

The following Bills and Resolutions were introduced:

HB 650, by Representative Smith, AN ACT relating to revenue and taxation.

HB 651, by Representatives Dempsey, Bach, Fields, W. F. Davis, AN ACT relating to soil conservation.

HB 652, by Representative Buchanan, AN ACT relating to mental hospitals.

HB 653, by Representatives Breckinridge, Fitzpatrick, AN ACT creating a procedure for continually determining the need for constitutional revision.

HB 654, by Representative Rayburn, AN ACT relating to city alcoholic beverages license fees.

Representative Render moved the adoption of **HR 121.** Adopted.

HR 121, by Representative Render, A RESOLUTION honoring the City of Hartford in Ohio County on its sesquicentennial anniversary.

WHEREAS, the City of Hartford, in Ohio County, Kentucky, has reached the age of one hundred and fifty years;

WHEREAS, the County of Ohio was established in 1798, theretofore having been a part of Hardin County, with the community of Hartford as its seat;

WHEREAS, seeing the need for progress and education of its pioneer population there was established on December 22, 1798, by act of the Kentucky General Assembly, a school known as Hartford Academy, with the following trustees: Alexander Barnet, Ignatius Pigman, Joshua Crow, William B. Smith, Benjamin Fields, Jesse Gravens, Harrison Taylor, Steven Clever, Aquila Fields, and David Glenn;

WHEREAS, by act of the Kentucky General Assembly, on February 3, 1808, the community was recognized, established and organized as Hartford, the seat of Ohio County, on a plot of four hundred acres of land from the estate of the late George Madison, with the following men as trustees: Thomas Moseley, Joshua Crow, James Love, Daniel Barry, Aquila Field, Joshua Griffith, and Robert Moseley as trustees;

WHEREAS, since that time the City of Hartford has made continuous progress in all matters of civic, religious, and educational interest, and maintains such progress;

WHEREAS, it has contributed of its citizenry much able leadership to the state, to other counties in the state, and to other states;

WHEREAS, it has at all times upheld and sustained the American way of life with bravery, and "with blood, sweat and tears," on all continents of the earth.

NOW, THEREFORE,

Be it Resolved by the House of Representatives of the Commonwealth of Kentucky:

That in recognition of its long life of honorable participation in all things for the betterment of its community, the state and the nation, it extend to the City of Hartford its congratulations for the sesquicentennial anniversary of its establishment, and its appreciation for the long years of municipal progress, and that copies of this resolution be sent to Mayor Charles Ellis, City Attorney Earl F. Martin, Councilman W. Mallam Lake, Andy Anderson, and Percy Landman, publisher of Ohio County News.

Representative Dempsey moved that **HR 120** be adopted. Adopted.

HR 120, by Albert Dempsey, Archie Brown, A RESOLUTION concerning the Legislative Record.

WHEREAS, St. Patrick's Day is a day recognized in Kentucky; and

WHEREAS, Kentuckians over the state wish to give particular respect to this universally known day;

NOW, THEREFORE,

Be it resolved by the House of the General Assembly of the Commonwealth of Kentucky:

That the Legislative Record be printed in the color of green and that all copies distributed on the day of St. Patrick carry a notation to the effect this day's issue is in commemoration of the Saint Patrick.

Orders of the Day

HB 601 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 61—Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buckner, Burress, Clore, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Fitzpatrick, Gay, Greene, Gullette, Hale, Hall, Hart, Hinkle, Hislope, Hodges, Hopkins, Isler, H. N. Johnson, Kincer, Kubale, Lovelace, Lyon, McGuire, McReynolds, Moore, Newberry, Parrish, Qualls, Rausch, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Smith, Steiger, Stith, Tinsley, Ed Thomas, S. R. Thomas, Wathen, Whitehead, Willen, Wilson, Young; Nays, 0.

HB 601 was passed and the title agreed to.

HB 319 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 72—Bach, Bartley, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Clore, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Dempsey, Duff, Everett, Farmer, Fields, Finney, Ford, Greene, Gullette, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Isler, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Peace, Qualls, Rausch, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Tinsley, S. R. Thomas, Wathen, Wells, Willen, Wilson, Wirsch, Young; Nays, 0.

HB 319 was passed and the title agreed to.

The Speaker vacated the Chair and asked Representative Howard to preside.

HB 550 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 61—Arnold, Bach, Bartley, Billington, Buchanan, Buckner, Coffey, Combs, M. W. Cook, P. W. Cornett, Cottengim, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Haley, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Isler, H. N. Johnson, Kincer, Kingsbury, Lovelace, Lowman, Lyon, Mackey, Newberry, Nunn, Parrish, Qualls, Raybourne, Rayburn, Reed, Render, Searcy, Smith, Sowards, Tinsley, Ed Thomas, S. R. Thomas, Wathen, Wells, Whitehead, Willen, Wilson, Wirsch, Young; Nays, 7—Bush, Crecelius, Hale, Hall, C. R. Reynolds, Steiger, Williams.

HB 550 was passed and the title agreed to.

Representative Everett moved that the vote by which **HB 550** was passed be reconsidered and said motion laid on the table. Agreed.

Representative Everett moved that **HR 18** be taken from Orders of the Day and placed on passage. Agreed. Read at length for the third time.

Representative Mackey moved to amend **HR 18** as follows:

Amendment No. 1

Amend printed copy of **HR 18** on page 1, line 9 delete word "Mason" insert word "Robertson."

Adopted.

Amendment No. 2

Representative Mackey moved to amend **HR 18** as follows:

Amend printed copy of **HR 18** on page 1, line 7 delete word "Mason." Insert word "Robertson"

Adopted.

Representative Mackey moved to amend **HR 18** as follows:

Amendment No. 3

Amend printed copy of **HR 18** on page 2, section 1, line 5, delete word "Mason". Insert word "Robertson".

Adopted.

On roll call on **HR 18** as amended, the vote was: Yeas, 68—Arnold, Bach, Bartley, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Burress, Bush, Clore, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Dempsey, Duff, Farmer, Fields, Finney, Gay, Greene, Hale, Haley, Hart, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, Isler, H. N. Johnson, Kincer, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Qualls, Rausch, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Searcy, Smith, Steiger, Walsh, Wathen, Wells, Whitehead, Willen, Wilson, Wirsch, Young; Nays, 0.

HR 18 was adopted.

Representative Searcy moved that the House adjourn until 10:00 a.m., March 14. Mr. Searcy then asked to withdraw his motion, and House agreed.

Representative Lowman moved that when the House adjourns it do so until 8:00 p.m., Monday, March 17. On demand of the House a roll call was taken and the vote was: Yeas, 13—Brown, Buchanan, Clore, Bill Cornett, Crecelius, Duff, Farmer, Nick Johnson, Lowman, McCallum, Steiger, Wathen, Wirsch; Nays, 50—Arnold, Bach, Bartley, Billington, Buckner, Burress, Bush, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, W. F. Davis, Dempsey, Everett, Fields, Finney, Greene, Hale, Haley, Hart, Hislope, Hopkins, Howard, Isler, Lovelace, Lyon, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Peace, Qualls, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Smith, Stith, Tinsley, Wells, Whitehead, Willen, Williams, Wilson, Young.

Motion rejected.

HB 510 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 54—Arnold, Bach, Barton, Billington, Buckner, Burke, Bush, Clore, Combs, M. W. Cook, Bill Cornett, Crecelius, P. F. Davis, Duff, Everett, Farmer, Fields, Fitzpatrick, Greene, Hale, Haley, Hall, Hart, Hinkle, Hopkins, Isler, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Peace, Rausch, Ray, Raybourne, Reed, Smith, Steiger, Stith, Tinsley, Walsh, Wathen, Weintraub, Wells, Williams, Wilson, Young; Nays, 8—Brown, Buchanan, Burress P. W. Cornett, Dempsey, Hislope, Nick Johnson, Whitehead.

HB 510 was passed and the title agreed to.

Representative Everett moved that the vote by which **HB 510** was passed be reconsidered and said motion laid on the table. Agreed.

Introductions

HR 122, by Representative Breckinridge, A JOINT RESOLUTION directing that an election be held on the question of the official standard time for the Commonwealth.

Orders of the Day

HB 476 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 56—Arnold, Bach, Barton, Billington, Breckinridge, Brown, Buckner, Burke, Burress, Clore, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, P. F. Davis, W. F. Davis, Dempsey, Everett, Finney, Fitzpatrick, Ford, Hale, Haley, Hall, Hart, Hinkle, Hopkins, Howard, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Peace, Qualls, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, Smith, Steiger, Stith, Tinsley, Walsh, Wathen, Wells, Young; Nays, 3—Crecelius, Farmer, Whitehead.

HB 476 was passed and the title agreed to.

Motions

Representative Rayburn moved that when the House adjourns it do so until 11:00 a.m., March 14. Agreed.

Orders of the Day

HB 567 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed.

Representative Newberry moved to amend **HB 567** as follows:

Amendment No. 1

Amend printed copy of **HB 567** on page 2, section 5, line 3, strike out the figure "$100,000" and insert in its place the figure "$25,000".

Adopted.

Representative Newberry moved to amend **HB 567** as follows:

Amendment No. 2

Amend printed copy of **HB 567** on page 1 and 2, strike out all after the enacting clause and substitute therefore the following:

Section 1. The Secretary of State shall purchase and maintain microfilming equipment and employ one qualified operator to operate, instruct, and supervise the operation of such equipment.

Section 2. The Fiscal Court of any county desiring to have all or any part of the county records microfilmed shall make application to the Secretary of State. Upon receipt of such application, the Secretary of State shall make the equipment and qualified operator available to the counties in the order in which the requests are made, subject to the limitations of funds available for that purpose.

Section 3. The expense of microfilming the county records, except the salary and expenses of the qualified operator provided in section 1 of this Act, shall be borne by the county desiring to have its records microfilmed. The cost of transporting the equipment shall be borne by the county to which the equipment is transferred for purpose of microfilming the county records, but in no instance shall the transportation expense exceed the amount that it would cost to transport the equipment from Frankfort, Kentucky, to the county desiring to have its records microfilmed.

Section 4. After the county records, or any part thereof, are microfilmed the microfilm shall be transported to the office of the Secretary of State for storage. The cost of such transportation shall be borne by the Commonwealth. The Secretary of State shall store all microfilm in a fireproof vault and, in addition, shall provide proper records and indices for such microfilm.

Section 5. Records which are by statute made confidential and which are microfilmed, shall be treated as confidential by the Secretary of State and shall not be open for inspection as public records.

Section 6. The Secretary of State shall adopt rules and regulations providing for the type of microfilm equipment to be used and the maintenance standards to be observed at all times.

Section 7. The sum of twenty seven thousand five hundred dollars is hereby appropriated out of the General Fund to carry out the provisions of this Act. The sum shall not lapse at the end of the 1958-1959 fiscal year but shall be carried over into the 1959-1960 fiscal year.

Adopted.

HB 567 as amended for the third time.

On roll call, the vote was: Yeas, 58—Arnold, Bach, Barton, Billington, Breckinridge, Brown, Buckner, Burke, Bush, Clore, Coffey, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Fitzpatrick, Ford, Greene, Hale, Haley, Hall, Hart, Hinkle, Hislope, Hopkins, Howard, Isler, Kincer, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Newberry, Nunn, Ockerman, Peace, Rausch, Ray, Raybourne, Reed, Render, C. R. Reynolds, Steiger, Stith, Tinsley, Walsh, Wathen, Wells, Whitehead, Wirsch, Young; Nays, 0.

HB 567 was passed and the title agreed to.

Representative Lowman moved that the vote by which **HB 567** was passed be reconsidered and said motion laid on the table. Agreed.

Motions

Representative Kingsbury moved that the Legislative Research Commission furnish the House with information as to the amount of appropriations made since adoption of the budget. Agreed.

Representative Everett moved that the House adjourn until 11:00 a.m., March 14. Agreed.

FRIDAY, MARCH 14, 1958

FIFTY-FOURTH LEGISLATIVE DAY

The House was called to order with Representative Fitzpatrick presiding.

Invocation by the Reverend John C. Chenault, of the First Christian Church, of Frankfort.

The roll was called. All members present except Baumgardner, Buchanan, Bush, Combs, Dempsey, Duff, Farmer, Finney, Gay, Gullette, Hahn, Hall, Hislope, H. Nick Johnson, Huston Johnson, Kincer, Kubale, Lowman, McCallum, Miller, Moore, Ray, Reed, Russell Reynolds, Richards, Wells, Whitehead, Williams, Wilson, Weintraub.

Representative Chaudoin moved that absent members be granted leaves of absence. Agreed.

Reading of the Journal for March 13 dispensed with and the same approved on motion of Representative Isler.

Senate Message

Senate message announcing passage of **SB 308, SB 310, SB 315, SB 319, SB 321, SB 326, SB 329, SB 318, HB 133.**

Recess

Representative Isler moved that the House recess for forty-five minutes for lunch. Agreed. At the appointed hour, the House was called to order by the Speaker, Mr. Weintraub.

Motions

Representative Howard moved that **HB 402** be taken from Orders of the Day and placed on passage. On demand of two representatives, a roll call was taken on this motion. The vote was: Yeas, 24—Bartley, Billington, Brown, Buchanan, Burress, Coffey, P. W. Cornett, W. F. Davis, Dempsey, Ford, Hislope, Hodges, Howard, Kincer, Lovelace, Lyon, McCallum, Peace, Raybourne, C. R. Reynolds, Searcy, Stith, Whitehead, Willen; Nays, 24—Bach, Burke, Bush, Chaudoin, E. E. Cook, Crecelius, Duff, Finney, Fitzpatrick, Gullette, Hale, Haley, Hart, Henry, Isler, McGuire, R. Reynolds, Smith, Sowards, Steiger, Tinsley, Walsh, Wathen, Wells.

Motion lost.

Representative Everett moved that the House recess for fifteen minutes for Rules Committee meeting. Rejected.

Report on Enrolled Bills

The Committee on Enrollment reported that **HB 133** and **HB 470** had been examined and correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day

HB 398 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 14—Bach, Coffey, Cottengim, Everett, Fields, Gay, Hinkle, Hale, Haley, Kincer, Mackey, Parrish, Ed Thomas, S. R. Thomas; Nays, 49—Bartley, Barton, Billington, Breckinridge, Brown, Buckner, Burke, Burress, Chaudoin, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Dempsey, Duff, Finney, Ford, Greene, Henry, Hislope, Hopkins, Huddleston, Isler, H. N. Johnson, Kingsbury, Kubale, Lyon, McCallum, McGuire, McReynolds, Nunn, Ockerman, Peace, Ratcliffe, Ray, Raybourne, Searcy, Smith, Sowards, Steiger, Tinsley, Wathen, Wells, Willen, Williams, Young.

HB 398 was defeated.

HB 522 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 61—Anderson, Arnold, Bach, Bartley, Barton, Billington, Brown, Buckner, Burress, Bush, Casey, Chaudoin, Coffey, Combs, E. E. Cook, Bill Cornett, Cottengim, Crecelius, P. F. Davis, Duff, Everett, Fields, Finney, Fitzpatrick, Greene, Gullette, Hale, Haley, Hall, Hart, Henry, Hinkle, Isler, Kincer, Kubale, Lyon, McGuire, McReynolds, Mackey, Newberry, Ockerman, Parrish, Peace, Qualls, Ratcliffe, Rausch, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, R. Reynolds, Smith, Steiger, Stith, Tinsley, Ed Thomas, S. R. Thomas, Wells, Wilson, Wirsch; Nays, 4—Breckinridge, Dempsey, Hislope, McCallum.

HB 522 was passed and the title agreed to.

HB 320 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed.

Representative Fitzpatrick, on behalf of Speaker Weintraub, offered the following amendment to **HB 320:**

Amendment No. 1

Amend printed copy of **HB 320,** line 12 by striking line 12 in its entirety and inserting in lieu thereof the following:

"paid from fines and forfeitures collected in the judicial district he serves. After the Commonwealth's Attorney has been paid the limit to which he is entitled under law from fines and forfeitures, the same percentage of such fines and forfeitures shall be paid to the assistant

Commonwealth's attorney until the latter shall have been paid the sum of $3600 in a calendar year. In the event such percentage of fines and forfeitures fails to amount to $3600 in any calendar year, the deficiency shall be paid from the fines and forfeitures collected in the judicial district if there be a sufficient amount collected beyond what was paid in such previous year to the Commonwealth's attorney and the assistant Commonwealth's attorney. Should there be insufficient fines and forfeitures in the previous year then such deficiency may be made up in any succeeding year. The fiscal court in each of the counties in the judicial district may augment the compensation of the assistant Commonwealth's attorney by fixing an annual salary."

Adopted.

HB 320 as amended read for the third time. On roll call, the vote was: Yeas, 80—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Burress, Bush, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, Duff, Everett, Fields, Finney, Fitzpatrick, Gay, Greene, Gullette, Hale, Haley, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, Isler, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Peace, Qualls, Ratcliffe, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Tinsley, Ed Thomas, S. R. Thomas, Weintraub, Wells, Whitehead, Willen, Wilson, Wirsch, Young; Nays, 1—Ford.

HB 320 was passed as amended and the title agreed to.

Representative Fitzpatrick moved that the vote by which **HB 320** was passed be reconsidered and said motion laid on the table. Agreed.

HB 371 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be given its third reading and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 81—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, Isler, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Newberry, Ockerman, Parrish, Peace, Qualls, Ratcliffe, Rausch, Raybourne, Rayburn, Render, C. R. Reynolds, Searcy, Smith, Sowards, Steiger, Ed Thomas, S. R. Thomas, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

HB 371 was passed and the title agreed to.

Representative Ratcliffe moved that the vote by which **HB 371** was passed be reconsidered and said motion laid on the table. Agreed.

HB 412 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be given its third reading and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 72—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Buckner, Burke, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Hale, Haley, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, H. N. Johnson, Kingsbury, Lovelace, Lyon, McCallum, McGuire, Mackey, Newberry, Nunn, Ockerman, Parrish, Qualls, Ratcliffe, Rausch, Raybourne, Rayburn, Render, C. R. Reynolds, R. Reynolds, Smith, Sowards, Steiger, Stith, Ed Thomas, S. R. Thomas, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

HB 412 was passed and the title agreed to.

Representative Greene moved that the vote by which **HB 412** was passed be reconsidered and said motion laid on the table. Agreed.

HB 546 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be given its third reading and placed on passage. Agreed. Representative Newberry moved the Previous Question. Agreed. Representative Paul Cornett moved that the bill be tabled. Rejected.

On roll call for passage, the vote was: Yeas, 56—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Burke, Bush, Casey, Chaudoin, Combs, E. E. Cook, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Everett, Finney, Fitzpatrick, Greene, Gullette, Haley, Hart, Henry, Hinkle, Hodges, Hopkins, Huddleston, Isler, Kingsbury, Lovelace, Lyon, McCallum, Mackey, Newberry, Nunn, Ockerman, Qualls, Ratcliffe, Rausch, Raybourne, Rayburn, Render, R. Reynolds, Searcy, Smith, Stith, Tinsley, Ed Thomas, Wathen, Weintraub, Willen, Wilson, Wirsch, Young; Nays, 22—Brown, Buchanan, Burress, Coffey, Bill Cornett, P. W. Cornett, Dempsey, Ford, Gay, Hale, Hall, Hislope, Howard, Parrish, Peace, Ray, C. R. Reynolds, Sowards, Steiger, S. R. Thomas, Wells, Whitehead.

HB 546 was passed and the title agreed to.

Speaker Weintraub vacated the Chair and asked Representative Lowman to preside.

HB 236 was taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 79—Anderson, Bach, Barton, Billington, Breckinridge, Brown, Buchanan, Burke, Burress, Bush, Casey, Chaudoin, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Isler, H. N. Johnson, Kingsbury, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Newberry, Nunn, Ockerman, Parrish, Peace, Qualls, Ratcliffe, Rausch, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Tinsley, Ed Thomas, S. R. Thomas, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

HB 236 was passed and the title agreed to.

HB 461 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 44—Bach, Buchanan, Buckner, Burke, Burress, Bush, Chaudoin, Combs, M. W. Cook, P. W. Cornett, Cottengim, Crecelius, Duff, Everett, Fields, Finney, Fitzpatrick, Gay, Haley, Hall, Hart, Hinkle, Hodges, Isler, H. N. Johnson, Lyon, McGuire, Mackey, Newberry, Nunn, Parrish, Qualls, Ratcliffe, C. R. Reynolds, R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Ed Thomas, S. R. Thomas, Wirsch, Young; Nays, 17—Arnold, Billington, Breckinridge, Brown, P. F. Davis, Dempsey, Ford, Gullette, Hale, McCallum, Moore, Ockerman, Raybourne, Render, Whitehead, Willen, Williams.

HB 461 was passed and the title agreed to.

Representative Ed Thomas moved that the vote by which **HB 461** was passed be reconsidered and said motion laid on the table. Agreed.

Introductions

Representative Stith moved that the rules be suspended for the purpose of introducing a resolution. Agreed.

HR 124, by Representative Stith, A SIMPLE RESOLUTION memorializing Congress and the Interstate Commerce Commission to retain existing time zones.

Senate Message

Senate message announcing passage of **HB 129** and **SB 343.**

Introductions

The following Bills and Resolutions were introduced:

HR 123, by Representative S. R. Thomas, A RESOLUTION providing for further payments to the employees and officers of the two

Houses of the General Assembly and the employees of the Legislative Research Commission for services performed during the 1958 Regular Session of the General Assembly, and declaring an emergency.

HR 125, by Representative Fitzpatrick, A CONCURRENT RESOLUTION relating to adjournment, and providing for a joint session of the Senate and House of Representatives on March 17, 1958 to witness a program in honor of Saint Patrick's Day.

HB 655, by Representative Burke, AN ACT relating to sidewalks in cities of all classes.

HB 656, by Representative Burke, AN ACT relating to city taxes.

HB 657, by Representatives Duff, H. Nick Johnson, R. Reynolds, Sowards, Buckner, Brown, Dempsey, Greene, Buchanan, P. W. Cornett, AN ACT relating to operators' licenses.

HB 658, by Representative Hall, AN ACT relating to compensation of county officers and employes, changing the rate for Justices of the Peace.

Representative Huddleston moved that the House adjourn until 8:00 p.m., Monday, March 17. Agreed.

MONDAY, MARCH 17, 1958

FIFTY-SIXTH LEGISLATIVE DAY

The House was called to order by the Speaker, Mr. Weintraub.

Invocation by the Reverend Carter Roberts, of the Church of the Nazarene, of Frankfort.

The roll call showed all members present except Barton, Baumgardner, Buckner, Burke, Casey, Coffey, Dempsey, Duff, Farmer, Fields, Gay, Howard, Huddleston, Huston Johnson, Kincer, Lowman, Miller, Ray, Rayburn, Russell Reynolds, Tanner, Wathen.

Senate Message

Senate message announcing passage of **SB 104, SB 322, SB 335, SB 345, SB 349, SB 217, SB 314, HB 79, HB 153, SR 82.**

Motions

Representative Chaudoin moved that absent members be granted leaves of absence. Agreed.

Reading of the Journal for March 14 dispensed with and the same approved on motion of Representative Isler.

Representative Everett moved the adoption of **SR 82.** Adopted.

A CONCURRENT RESOLUTION providing for sine die adjournment of the 1958 Regular Session of the General Assembly.

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That when the Senate and the House of Representatives adjourn on March 21, 1958, they do adjourn sine die.

Introductions

The following Bills and Resolutions were introduced:

HB 659, by Representative Richards, AN ACT relating to railroad crossings.

HB 660, by Representative Fitzpatrick, AN ACT relating to the levy, assessment, and collection of property taxes.

HB 661, by Representative Everett, AN ACT proposing an amendment of Section 228 of the Constitution of Kentucky relative to the administering of oaths.

HB 662, by Representative Casey, AN ACT relating to intoxicating beverages.

HB 663, by Representative Cottengim, AN ACT relating to discrimination in employment because of sex.

HR 126, by Representative Moore, A CONCURRENT RESOLUTION memorializing Congress to support Resolution number 543 in the United States House of Representatives relating to surplus property.

Recess

Representative Everett moved that the House recess for fifteen minutes for a meeting of the Rules Committee. Agreed. At the appointed hour the Speaker resumed the Chair and called the House to order.

Joint Session

The Speaker announced that the House and Senate would go into Joint Session for the purpose of being entertained with a traditional St. Patrick's Day program under the sponsorship of Senator McCann. The Speaker then introduced Lieutenant Governor Waterfield, who assumed the Chair and presided over the Joint Session. At the end of the program, Lieutenant Governor Waterfield declared the Joint Session dissolved, and vacated the Chair. Speaker Weintraub asked Representative Buchanan to preside over the House.

Representative Everett moved that **HR 15** be taken from Orders of the Day and adopted. On roll call, the vote for adoption was: Yeas, 90—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Fields, Finney, Fitzpatrick, Ford, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Isler, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Peace, Qualls, Ratcliffe, Rausch, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Tinsley, Ed Thomas, S. R. Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

Adopted.

Speaker Weintraub resumed the Chair.

Report of Rules Committee

The Rules Committee reported **HB 118, HB 509, HB 513, HB 566, HB 572, HB 579, HB 582, HB 594, HB 597, HB 621, HB 627, HB 631, HB 641, HB 651. HB 662, HB 659, HB 660, HB 661, HB 126, HB 178, HB 179, HB 229, HB 268, HB 361, HB 389, HB 527, HB 543, HB 555, HB 556, HB 573, HB 593, HB 632, HB 639, HB 644, HB 646, HB 649, HB 654, HR 86, HR 118, SB 199, SB 201, SB 202, SB 203, SB 209, SB 212, SB 213, SB 220, SB 222, SB 227, SB 229, SB 233, SB 235, SB**

236, SB 237, SB 242, HB 243, SB 244, SB 248, SB 255, SB 258, SB 259, SB 264, SB 267, SB 273, SB 280, SB 281, SB 285, SB 286, SB 287, SB 290, SB 291, SB 300, SB 303, SB 307, SB 308, SB 309, SB 310, SB 315, SB 318, SB 319, SB 321, SB 326, SB 329, SB 343, SB 8, SB 13, SB 14, SB 18, SB 28, SB 42, SB 45, SB 46, SB 47, SB 50, SB 62, SB 65, SB 67, SB 71, SB 73, SB 77, SB 80, SB 84, SB 85, SB 86, SB 88, SB 92, SB 93, SB 95, SB 97, SB 99, SB 101, SB 103, SB 106, SB 115, SB 116, SB 117, SB 118, SB 119, SB 120, SB 122, SB 130, SB 136, SB 137, SB 128, SB 141, SB 142, SB 145, SB 146, SB 149, SB 153, SB 154, SB 155, SB 158, SB 162, SB 163, SB 166, SB 167, SB 168, SB 169, SB 176, SB 181, SB 189, SB 191, SB 192, SB 193, SB 194, SB 195, SB 322, SB 335, SB 345, SB 349, SB 217, SB 314 with the expression of opinion that the same should pass. Ordered read at length for the first time and placed in the Calendar.

HB 118, AN ACT relating to absent voting.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 126. 140 of the Kentucky Revised Statutes is amended to read as follows:

As used in this Act unless the context otherwise requires:

(1) "Absent Voter" means any qualified voter who is a member of the Armed Forces of the United States on active duty and who by reason of such duty expects to be absent from the county in which is situated his voting precinct on the day of the holding of any election.

(2) "Armed Forces" means the Army, Navy, Marine Corps, Air Force and Coast Guard.

(3) "Election" means any regular election, primary election or special election, for any federal, state, district, county or city office, including school district offices, and any election upon a public question.

Section 2. Section 126.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) Applications for absent voter's ballots shall be signed and sworn to by the absent voter before the county clerk, or before an officer of the Armed Forces of the United States in accordance with the provisions of KRS 384.080. The application shall be substantially in the following form:

"County Court Clerk of ______________ County, ______________ Kentucky.

"I, __________________________, state that I am a resident of the Commonwealth of Kentucky and have been such for at least one year prior to the date hereof. I am a resident of ------------------ County and have been such for more than six months prior to said date and expect to be absent therefrom as a result of active service with the Armed Forces of the United States at the time of the election to be held on the -------- day of -----------------, 19------, and will not vote elsewhere at said election, and am a resident of ----------------- of ----------------- precinct of said county (or ---------- ward of the city of ------------, county of ------------), and have been such for at least sixty days prior to said date; that I reside at -------------------------- (house number and street address, if in city, or county road and nearest neighbor, if in county) that I will be at least eighteen years of age by the day of the next election, and that I am a duly qualified voter of said precinct (or said ward), and I am affiliated with the ---------------------- political party; I request that an official ballot be mailed to me at the following address:

(Name and Rank)

(Unit)

(Voter must sign here, and oath must be administered and attested)

"Subscribed and sworn to before me this ---------------- day of -----------------------------, 19-----.

(Name, Official Designation)"

(2) Applications for absent voter's ballots shall be accompanied by an affidavit of a commissioned officer of the Unit to which the applicant is assigned, which affidavit shall state that the applicant is personally known to the affiant, that he is a member of affiant's Unit and is, at the time of the making of the affidavit, on active duty with the Armed Forces of the United States and that it is expected that such duty will prevent applicant's being able to vote in person at his preceinct at the election for which application for the ballot is made.

Section 3. Section 126.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon receipt of any application for an absent voter's ballot, the county court clerk shall examine the registration books for the purpose of ascertaining whether or not the applicant is a registered voter. If the county court clerk finds that the applicant is so registered, he shall forward a ballot to the voter as provided in this Act. If the county court clerk does not find the applicant to be so registered, he

shall, upon being satisfied that the applicant is entitled to be registered, cause the applicant to be registered in the registration records of the proper precinct, and shall mark upon such registration records the words "Absentee Registration." Such registration may be made at any time prior to the election for which application for an absent voter's ballot is made.

(2) Any person who has been registered under the provisions of subsection (1) of this section shall be required to re-register in person upon his first return to the county of his residence at a time when the books are open.

Section 4. Section 126.210 of the Kentucky Revised Statutes is amended to read as follows:

The Secretary of State shall cause to be prepared and printed an appropriate number of inner envelopes for absent voter's ballots, for all counties. Each such envelope shall be gummed, ready for sealing. Upon one side of such envelope shall be printed, in substantially the following form:

OFFICIAL ABSENT VOTER'S BALLOT

Name of voter --

Residence (street and number, if any) ---------------------------

----

County of ---

City or Town of ---

On the other side of such envelope shall be printed the following oath:

"I do hereby swear (or affirm) that I am a citizen of the United States and am now of the age of at least eighteen years or will be on the day of the election to be held on the ------------------ day of ------------------, 19----- (here insert the day of the election), that I will have been a resident of the Commonwealth of Kentucky for at least one year next preceding such election, and a resident of the County of ------------------ for more than six months preceding such election, and a resident of ------------------ precinct of said county (or ------ ward of the city of --------------, County of --------------------) at least sixty days preceding such election; that I am a duly qualified voter of said precinct or said ward, and I am affiliated with the ---------------- political party; as a result of active service with the Armed Forces of the United States I expect to be absent from said precinct or ward at the time of said election.

(Voter must sign here, and oath must be administered and attested)

"Subscribed and sworn to before me this ______________ day of ________________________, 19_____.

____

(Name, Official Designation)"

Such oath shall constitute prima facie evidence that the voter is qualified to vote, unless the statements contained in such oath indicate the contrary.

Section 5. Section 126.230 of the Kentucky Revised Statutes is amended to read as follows:

When the absent voter receives the ballot and the two envelopes, he shall go before a commissioned officer of the Armed Forces or any civil officer and before such officer make and subscribe to the affidavit on the face of the envelope and shall, in the presence of such officer and no one else, mark the ballot so as to indicate the way he desires to vote, but in such manner as to prevent the officer from knowing how the ballot is marked or how he has voted. He shall then, and while in the presence of the officer, fold the ballot in such way as to conceal the markings made theron by him, and after the ballot has been so folded, he shall enclose it in the inner envelope; then seal said envelope and then enclose it in the outer envelope; then seal and write his name across the face of the outer envelope, and at once mail or deliver it to the county court clerk.

HB 509, AN ACT relating to pharmacy.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 315.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Association" means the Kentucky Pharmaceutical Association.

(2) "Board" means the Kentucky Board of Pharmacy.

(3) "Pharmacy" means every place where:

(a) Drugs are dispensed or sold at retail or displayed for sale at retail, or

(b) Where prescriptions are compounded, or

(c) Which has upon it or displayed within it, or affixed to or used in connection with it, a sign bearing the term "pharmacists," "pharmacy," "apothecary," "drug," "drug store," "druggists," "drugs," "medicines," "medicine store," "drug sundries," "remedies," or any term of similar or like import or any place with respect to which any of those terms are used in any advertisement or telephone directory listing, or

(d) Where the characteristic show bottles of colored globes are exhibited.

Section 315.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) Exery licensed pharmacist who desires to continue in business shall, during January of each year, pay to the secretary-treasurer of the board a renewal fee, to be fixed by the board, but not to exceed ten dollars. For this he shall receive a certificate of renewal of his license.

(2) Every licensed assistant pharmacist who desires to continue in business shall, during January of each year, pay to the secretary-treasurer of the board a renewal fee, to be fixed by the board, but not to exceed four dollars. For this he shall receive a certificate of renewal of his license.

(3) Every pharmacist and every assistant pharmacist shall keep his current certificate conspicuously displayed in his place of business.

HB 513, AN ACT relating to jurors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 29.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) Grand jurors and petit jurors in circuit court shall be paid five dollars per day for jury service. Persons whose names are on the jury list for jury service in circuit court, or are summoned under KRS 29.280 to supply a deficiency, who appear in person in court in response to summons, who resides outside the corporate limits of the city in which the court sits, and who do not claim exemption or ask to be relieved from jury service, shall receive five dollars per day for each day they are required to be and are in attendance, even though they are not sworn or accepted for jury service. The jurors summoned for service in circuit courts in addition to the per diem allowed above, shall be paid seven cents per mile traveling to and from the court, measured in the most direct and usually traveled route from their residence to the city where court is held.

(2) When kept together overnight in custody of the sheriff, petit jurors shall receive five dollars additional for each night they are kept together.

(3) In courts inferior to the circuit court, except in counties containing a city of the second class, each juror shall be paid fifty cents for each case in which he serves, but if the same juror serves on more than two juries in one day he shall not be allowed a fee for the cases in excess of two.

(4) In courts inferior to the circuit court, in counties containing a city of the second class, each juror shall be paid one dollar and fifty cents for each case in which he serves, but if the same juror serves on more than two juries in one day he shall not be allowed a fee for the cases in excess of two.

HB 566, AN ACT relating to local option.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 242.310 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person knowingly or intentionally renting or permitting the use of, or using, any premises, or part thereof, or any vehicle for the purpose of unlawfully selling or transporting or possessing intoxicating liquors in dry territory, shall be guilty of a nuisance and of a violation of this Chapter.

(2) Any property so used shall be forfeited to the state. The forfeiture shall extend to the whole of the premises or vehicle owned by the defendant, or to his interest in said property, including all land and buildings in one boundary. If the vehicle be a privately owned automobile, the owner may give bond to the court and may have possession of the automobile pending the final judicial order in the case.

Section 2. Section 242.360 of the Kentucky Revised Statutes is amended to read as follows:

(1) When a peace officer discovers any person in dry territory in the act of illegally possessing or transporting alcoholic beverages in any vehicle, he shall at once seize the vehicle and any and all alcoholic beverages found in it and arrest any person or persons in charge thereof. If the vehicle be an automobile, the owner thereof may make bond and recover possession of same, and may retain possession until final adjudication of the case.

(2) Upon final conviction of a person arrested under subsection (1), the bond shall be revoked and the court shall order the vehicle sold at public auction unless the owner of the vehicle proves that it was being used without his knowledge, consent, or approval.

(3) The expenses of keeping and selling the vehicle and all valid recorded liens that are established by intervention at a hearing as being bona fide shall be paid out of the proceeds of the sale. The lienor must prove that the property was being used without his knowledge, consent or approval.

(4) After the satisfaction of expenses and liens, the court shall direct that the balance of the proceeds be paid to the circuit clerk, who shall transmit the balance as in the case of other forfeitures. The

court shall order all sales to be made by the sheriff, who shall receive and be allowed the same fees as allowed for sales under execution.

HB 572, AN ACT relating to nominations by petition.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 118.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in subsection (3) of this section, a candidate for any office to be voted for at any regular election may be nominated by a petition of electors qualified to vote for him, complying with the provisions of subsection (2) of this section.

(2) Except as provided in subsection (3) of this section, no person shall become a candidate by petition for any office who is not a registered independent and legally qualified to vote as such. A petition of nomination for a state officer, or any officer for whom all the electors of the state are entitled to vote shall contain one thousand petitioners; for a representative in Congress from any Congressional district, or for an officer from any other district except as herein provided, four hundred petitioners; for a county officer or member of the General Assembly, one hundred petitioners; for an officer of a precinct or ward, or other division less than a county, twenty petitioners. All petitioners shall be registered independent voters. The signatures of the petition need not be appended to one paper. No petitioner shall be counted unless his residence, post office address and statement that he is a registered independent voter are included. If any person joins in nominating, by petition, more than one nominee for any office to be filled, he shall not be counted on either petition. The petition shall state the name and residence of each of the candidates, that they are registered independent voters and legally qualified to hold the office, and that the subscribers are registered independent voters and legally qualified to vote for the candidate. The petition shall designate a brief name or title of the party or principle that the candidate represents, together with any simple figure or device by which it is desired that he be designated on the ballot.

(3) Candidates for members of boards of education shall be nominated as provided in KRS 160.220.

(4) Section 119.070 of the Kentucky Revised Statutes is repealed.

HB 579, AN ACT relating to school bus operation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) No person shall operate a bus in which school children are riding at a speed greater than forty miles per hour.

(2) Every bus used in transporting school children shall be equipped with a speed governor or mechanical device, installed so as to limit the speed of the vehicle to forty miles per hour. No person shall drive or cause to be used a school bus which is not so equipped. Any peace officer may stop any school bus at any time to examine or test such device.

(3) In addition to other penalties provided by this Act, the driver of the bus operated in violation of this Act shall be suspended from his employment for ten working days.

Section 2. Any person who violates this Act shall be fined not less than ten nor more than one hundred dollars.

HB 582, AN ACT relating to insurance and amending KRS 304.484.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 304.484 of the Kentucky Revised Statutes is amended to read as follows:

Section 1. The Custodian of Insurance Securities shall be appointed by the Governor in accordance with the laws governing other executive appointments. He shall receive a salary of $500.00 per month payable as are salaries of other employes of this state but out of custodial expense funds provided by insurers pursuant to KRS 304.503.

Section 2. The Custodian shall have not less than four years administrative experience and shall have completed or have the equivalent of two years of commercial law and accounting courses at an accredited college or university.

Section 3. The custodian shall receive in his offical capacity, all deposits made with him pursuant to this code.

Section 4. The custodian shall be available at all reasonable times in the branch office of the Department of Insurance maintained in a city of the first class.

HB 594, AN ACT relating to possession of alcoholic beverages in dry territory.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 242.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person in dry territory shall sell, barter, loan, give, procure for or furnish another, or keep or transport for sale, barter or loan, directly or indirectly, any alcoholic beverage.

(2) No person shall possess any alcoholic beverage unless it has

been lawfully acquired and is intended to be used lawfully, and in any action the defendant shall have the burden of proving that the alcoholic beverages found in his possession were lawfully acquired and intended for lawful use, and any amount above one-gallon of distilled spirits or wine, or two and one-half gallons of malt beverage shall be conclusively deemed unlawfully acquired.

Section 2. Any person who violates the provisions of this Act shall be fined not less than fifty dollars nor more than two hundred dollars for the first offense and imprisoned for not less than thirty nor more than ninety days and fined not less than five hundred dollars for each subsequent offense.

HB 597, AN ACT relating to income tax, authorizing deductions for salary of military personnel.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 141.010 of the Kentucky Revised Statutes is repealed and re-enacted to read as follows:

As used in this Chapter, unless the context requires otherwise:

(1) "Commissioner" means the Commissioner of Revenue;

(2) "Department" means the Department of Revenue;

(3) "Internal Revenue Code" means the Internal Revenue Code in effect on January 1, 1956;

(4) "Dependent" means those persons defined as dependents under Section 152 of the Internal Revenue Code;

(5) "Fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator or any person acting in any fiduciary capacity for any person, estate or trust;

(6) "Fiscal year" means an accounting period of twelve months ending on the last day of any month other than December;

(7) "Individual" means a natural person;

(8) "Federal income tax" means income tax paid or accrued to the United States Government on income subject to assessment and taxation under the provisions of this chapter;

(9) "Person" means and includes an individual, a fiduciary, a partnership, an employer, an employe and a corporation;

(10) "Taxable year" means the calendar year or fiscal year ending during such calendar year, upon the basis of which net income is computed and in the case of a return made for a fractional part of a year under the provisions of this Chapter or under regulations prescribed by the commissioner, "taxable year" means the period for which such return is made;

(11) "Net operating loss deduction" means the deduction allowed under Section 172 of the Internal Revenue Code;

(12) "Resident" means any individual domiciled within this state;

(13) "Nonresident" means any individual not a resident of this state;

(14) "Employer" means "employer" as defined in Section 3401 (d) of the Internal Revenue Code;

(15) "Employe" means "employe" as defined in Section 3401 (c) of the Internal Revenue Code;

(16) "Number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under KRS 141.325, except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero;

(17) "Wages" means "wages" as defined in Section 3401 (a) of the Internal Revenue Code;

(18) "Payroll period" means a period for which a payment of wages is ordinarily made to the employe by his employer, and the term "miscellaneous payroll period" means a payroll period other than a daily, weekly, biweekly, semimonthly, quarterly, semiannual, or annual payroll period;

(19) "Corporations" includes associations and joint stock companies.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

As used in this Chapter, unless the context requires otherwise:

(1) "Net income," in the case of taxpayers other than corporations, means "taxable income" as defined in Section 63 (a) of the Internal Revenue Code adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Constitution and statutory laws of the United States;

(b) Exclude dividend income received during the taxable year upon stock of banks and trust companies organized under the laws of this state;

(c) Deduct "Federal income tax";

(d) Exclude the "net operating loss deduction";

(e) Include interest income derived from obligations of sister states and political subdivisions thereof;

(f) Include refunds of Federal income tax;

(g) Exclude any deduction for state taxes measured by net income;

(h) Exclude the deduction for personal exemptions allowed under Section 151 of the Internal Revenue Code and any other deductions in lieu thereof;

Provided that partial exclusion of dividends received by individuals which is authorized by Section 116 of the Internal Revenue Code shall not be allowed.

(2) If the taxpayer elects to deduct the standard deduction set

forth in KRS 141.081, then "net income" means adjusted gross income less the standard deduction.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

As used in this Chapter, unless the context requires otherwise:

(1) "Net income", in the case of corporations, means "taxable income" as defined in Section 63 (a) of the Internal Revenue Code adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Constitution and statutory laws of the United States;

(b) Exclude dividend income received during the taxable year upon stocks of banks and trust companies organized under the laws of this state;

(c) Include Federal income tax refunds;

(d) Include interest income derived from obligations of sister states and political subdivisions thereof;

(e) Exclude any deduction for state taxes measured by net income;

(f) Exclude the "net operating loss deduction";

(g) Exclude the special deductions, which relate to dividends and interest, allowable under Section 241 to 247, inclusive, of the Internal Revenue Code.

(2) "Taxable net income", in the case of corporations, means "net income" derived from business done, properly located, activities or sources in this state less "Federal income tax".

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

As used in this Chapter, unless the context requires otherwise:

(1) "Gross income" means "gross income" as defined in Section 61 of the Internal Revenue Code adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Constitution and statutory laws of the United States;

(b) Exclude dividend income received during the taxable year upon stock of banks and trust companies organized under the laws of this state;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;

(d) Include refunds of Federal income tax;

(e) Exclude salary of military personnel not to exceed $1500. Partial exclusion of dividends received by individuals which is authorized by Section 116 of the Internal Revenue Code shall not be allowed.

(2) "Adjusted gross income" means the same as "adjusted gross income" defined in Section 62 of the Internal Revenue Code, adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Constitution and statutory laws of the United States.

(b) Exclude dividend income received during the taxable year upon stock of banks and trust companies organized under the laws of this state;

(c) Deduct "Federal income tax";

(d) Exclude the "net operating loss deduction";

(e) Include interest income derived from obligations of sister states and political subdivisions thereof;

(f) Include refunds of Federal income tax;

Provided that partial exclusion of dividends received by individuals which is authorized by Section 116 of the Internal Revenue Code shall not be allowed in determining "adjusted gross income".

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

For the purpose of determining the maximum limitations of medical and dental expense deduction:

(1) "Head of household" means "head of household" as defined in Section 1 (b) (2) of the Internal Revenue Code.

(2) "Surviving spouse" means "surviving spouse" as defined in Section 2 (b) of the Internal Revenue Code.

HB 621, AN ACT relating to certification of teachers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 161.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) The certification of all superintendents, principals, teachers, supervisors, attendance officers and other administrative, supervisory or instructional employes is vested in the State Board of Education. All certificates issued under KRS 161.010 to 161.130 shall be issued in accordance with the published rules and regulations of the State Board of Education through the Superintendent of Public Instruction.

(2) Certificates shall be issued, re-issued and renewed to persons who have completed, at the College of Education at the University of Kentucky or any state senior college, the curricula prescribed by the Council on Public Higher Education and approved by the State Board of Education.

(3) Any person having served as a teacher in the public school system of Kentucky for a continuous period of twenty-five years shall be issued a certificate for life by the State Board of Education.

HB 627, AN ACT relating to waterworks systems in water districts and in cities of the second to sixth classes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 74.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any county court, upon petition of thirty-five resident freeholders of the proposed water district, may establish a water district and appoint water commissioners for the purpose of furnishing a water supply to the citizens of the county. The petition shall prescribe the territory intended to be included in the district and shall set out the reasons the water district is needed.

(2) When the petition is filed the court shall give notice of the filing by publication in three issues in a newspaper of general circulation in the county, or if there is no newspaper in the county, by posting notices in three public places in the proposed district. Within thirty days after the publication or notice, any resident of the proposed district may file objections, and the court shall set the case for hearing within ten days. If the court finds that the establishment of such district is reasonably necessary for the public health, convenience, fire protection, and comfort of the residents, it shall make an order establishing the district, and designating it by name or number.

(3) The court may in this order strike off any part of the territory that the testimony shows will not be benefited by the creation of the district. If the court does not find that the district is necessary, it shall dismiss the petition. Either party may thereupon appeal to the circuit court for a retrial, and from the circuit court to the Court of Appeals as provided by law.

Section 2. Section 106.270 of the Kentucky Revised Statutes is amended to read as follows:

Neither the Public Service Commission, the State Board of Health, nor any other board, commission or agency of the Commonwealth shall have any jurisdiction whatever over any water district or municipality, either in the purchase, acquisition, design, construction, operation, management or control of any water plant or water distribution system or appurtenances thereto, or any power or authority over the regulation of rates or charges, either within or beyond the boundaries of the municipality or water district.

Section 3. Section 106.210 of the Kentucky Revised Statutes is amended to read as follows:

Except as otherwise specifically provided in this chapter the water district commissioners of the water district and the legislative body of the municipalities shall exercise all powers conferred by virtue of this chapter. Any board operating under the provisions of this chapter shall have the legal power and capacity to perform any act not repugnant to law and shall have the express power and capacity to do any and all acts or things necessary or convenient for the carrying out of the purposes of this chapter, including but not by way of limitation, the following express powers:

(1) Acquire, hold and dispose of property, real and personal, tangible and intangible, necessary or incident to the proper conduct of its business;

(2) Construct, acquire, own, lease, operate, maintain and improve plants or works for the production, pumping, filtration, treatment, distribution or sale of water and may provide water service to any user or consumer within and without the boundaries of said water district or municipality or county containing such district or municipality, and may charge and collect reasonable rates therefor;

(3) Construct, own, lease, rent, operate and control any and all works, buildings, facilities and equipment across, along, or under any street or public highway, and over any lands which are now or may be the property of the Commonwealth or of any county or municipality therein. The water district or municipality shall, however, at its own expense, restore any such street or highway to its former condition and state as nearly as may be possible and shall not use the same in a manner as to impair its usefulness or to interfere with or obstruct the maintenance thereof. Before exercising these powers the board shall obtain a permit or consent or approval in writing from the governing authority of the municipality, or the fiscal court, or the Department of Highways having appropriate jurisdiction over any and all of such respective streets or public highways;

(4) Accept gifts, grants of property, real or personal, including money, from any person, municipality, or federal agency, or both, and to accept voluntary and uncompensated services; provided, however, that when engineering services are required by any water district or municipality to render any services authorized or required or incident to surveys, plans, estimates of cost, or the valuation of property, or in the preparation of reports authorized by this chapter, no engineer who is engaged in whole or in part in the business of buying or selling any waterworks or water distribution system equipment, machinery, fixtures, materials, supplies, or the sale or purchase of bonds shall be eligible for employment or for any services whatsoever under the provisions of this chapter. The limitations hereinabove provided shall also apply to any firm of engineers and to any member of any firm of engineers, if the firm or member of the firm is engaged in whole or in part in the business of buying or selling any waterworks or water distribution system machinery, equipment, fixtures, materials, supplies, or the sale or purchase of bonds; and no such firm or member of such firm shall be eligible for employment or for any service whatsoever under the provisions of this chapter. Provided, further, that the provisions of this chapter shall not be construed to prohibit the board or the governing authority of any water district or municipality from obtaining the advice or services of any engineer in the regular employment of the state or any Federal governmental agency; and provided further that provisions of this subsection in conflict with provisions of subsection (11) shall not apply to that section;

(5) Contract debts and borrow money for the acquisition or improvement of any water plant and appurtenances thereto, issue bonds to finance such acquisition or improvement, provide for the rights of

holders of the bonds and to secure the bonds as hereinafter provided, and pledge all or any of the net revenues derived from sale of water to the payment of such debts or repayment of money borrowed;

(6) Acquire, hold, and subject to the provisions of this chapter and the applicable provisions of any bonds or contracts, dispose of any property, real or personal, tangible or intangible, or any right or interest in any such property in connection with any water plant and appurtenances thereto and whether or not subject to mortgages, liens, charges, or other encumbrances subject to the provisions and requirements of this chapter.

(7) Make contracts and execute instruments containing such covenants, terms, and conditions as in the discretion of the board may be necessary, proper, or advisable for the purpose of obtaining loans from any source, or grants, loans or other financial assistance from any governmental agency, including, but without limitations, covenants, terms, and conditions with respect to the acquisition or construction of any water plant and appurtenances thereto or any improvement thereto with money in whole or in part borrowed from or granted by any governmental agency; make all other contracts and execute all other instruments as in the discretion of the board may be advisable in or for the furtherance of the acquisition, improvement, operation and maintenance of any water plant and appurtenances thereto and the furnishing of water service; and carry out and perform the covenants, terms, and conditions of all such instruments;

(8) Enter on any lands, waters and premises for the purpose of making surveys, soundings and examinations in connection with the acquisition, improvements, operation or maintenance of any water plant and appurtenances thereto and the furnishing of water service;

(9) Do all acts and things necessary or convenient to carry out the powers expressly given in this chapter;

(10) Make any contracts necessary or convenient for the full exercise of the powers herein granted, including, but not limited to, contracts for either the purchase or sale or both the purchase and sale of water and contracts for the acquisition or improvement of all or any part of a water plant and appurtenances thereto; and in connection with any such contract with a governmental agency, the board may stipulate and agree to such covenants, terms, and conditions as the governing body deems appropriate including, but without limitations, covenants, terms and conditions with respect to the resale rates, financial and accounting methods and the manner of disposing of the revenue of the water plant and the appurtenances thereto conducted and operated by the board.

(11) For the purpose of acquiring any water system by purchase the commissioners of the water district or city legislative body may, at their discretion, enter into such purchase contract before actual construction of the water system. The commissioners or the city legislative body may contract with any bond purchaser or insurer of bonds,

including such contract agreements with any agency of the Commonwealth or any agency of the United States Government, for a guarantee by such agency or agencies of the bonds of the district or city, in order to negotiate for the purchase of a water system or any addition or improvement thereto to be constructed at a future date. The commissioners of a water district or a city legislative body may contract with the civil engineer designing its water system to also construct the water system and may enter into an agreement to purchase the water system after it is constructed. The commissioners or legislative body may likewise, prior to actual construction, make a purchase agreement with any individual, partnership or corporation to construct a water system or any addition or extension thereto, providing that in all cases the civil engineering firm designing the system is under the immediate supervision of a civil engineer who is and has been licensed under the provisions of Chapter 322 of the Kentucky Revised Statutes for at least ten years, and has, in addition, actually designed and supervised, in the Commonwealth, at least two municipal water systems, or additions thereto, and at least two water systems for water districts, each of the four projects having a construction cost of at least $100,000.

Section 4. A new section of Chapter 106 of the Kentucky Revised Statutes is created to read as follows:

(1) Any bond form or bond resolution adopted by a water district or by a city legislative body, pursuant to the provisions of Chapters 74, 96, or 106 of the Kentucky Revised Statutes may fix the amount necessary to be set apart from water system revenues to be applied toward payment of charges for bond guarantee insurance under agreements with the Farmers Home Administration, Department of Agriculture, or any other agency of the United States Government, any agency of the Commonwealth or agreements made with any individual, partnership or corporation for the purpose of insuring the repayment of bonds. The insurance charges shall be paid out of the same fund as is set apart and applied to the payment of the principal and interest on the bonds, if the bond resolution so provides.

(2) The commissioners of any water district of the legislative body of any city, other than a city of the first class, may finance the purchase, acquisition, construction or improvement of a waterworks system by Special Assessment Improvement bonds, general obligation bonds, revenue bonds in one or more series, having equal or specified priority mortgage and revenue rights, all or none of which may be insured wholly or in part by any agency of the Commonwealth or the United States Government, or by any private individual, partnership or corporation, or by any combination of the foregoing types of bonds. In the event that financing is by special assessment bonds, or by revenue bonds, either wholly or in part, the procedure shall be as prescribed in KRS Chapter 74. All operation and maintenance shall be

paid from periodic charges to all water users and from annual or monthly fire hydrant rentals.

Section 5. A new section of Chapter 74 of the Kentucky Revised Statutes is created to read as follows:

(1) If engineering reports indicate that the most economical source of water for a proposed district waterworks system is from the mains of a private or municipally owned waterworks, such privately or municipally owned waterworks shall provide such service to the district at special quantity rates, if feasible, and at rates not to exceed, in any event, those being charged for similar service under similar conditions. The size of the meter to be used shall be as recommended by the consulting engineer for the water district. The cost of all connections including meter shall be borne by the water district. Water meter or meters shall be maintained by the supplier and shall become the property of the supplier after five years of satisfactory service to the district.

(2) Failure of a privately owned water company to offer, within sixty days after a written request, a water service contract shall render null and void any franchise the private water company may have to sell such water services in the county containing such district. Such contract shall cover a period of twenty years or more, and the point or points of connection to the company's existing lines shall be as designated by the district.

(3) No person engaged in the business of producing, selling or distributing water for public use in the Commonwealth shall refuse or fail to furnish water to any water district if such district is able and willing to pay the same rates for such water as are paid by other consumers in the same territory. This Section does not prohibit any person from limiting by contract its output to the district to 500 gallons per minute for any one connection, except that the output through any connection may be limited by the supplier to ten percent of the supplier's average output per minute.

(4) Any person, his agent or employe, who violates any of the provisions of this Section shall be fined not less than one hundred dollars nor more than one thousand dollars and each day that the violation continues shall constitute a separate offense.

Section 6. The board of commissioners of any water district may construct service lines from meters to the water users' plumbing system and be reimbursed for same at stated charges. The board may purchase or lease irrigation systems for use by farm customers at special water rates.

Section 7. A new section to Chapter 74 of the Kentucky Revised Statutes is created to read as follows:

(1) No water district shall sell, convey, rent or lease its waterworks system without the assent of two-thirds of the total number of

the legal voters of the city, voting at an election held for that purpose. Notice of such election shall be given sixty days before the election, by publication for three consecutive weeks in the newspaper having the largest circulation in the district, or if there is no such newspaper, by posting notices in ten public places in the district.

(2) If the cost of establishment of such waterworks system was aided by assessment against the freeholders of the district, the proceeds of the sale, after deducting debts and the costs of liquidation, shall be refunded to the then owners of the properties in the proportion that assessments against each bears to the total assessments made. If part of the cost of original construction was paid by connection charges, refund shall be made to each water user in proportion to the total paid to the water district for such connection charges paid to the district prior to original construction.

Section 8. A new section of Chapter 74 of the Kentucky Revised Statutes is created to read as follows:

The commissioners of a water district may levy a preliminary assessment not to exceed five percent of the estimated cost of the waterworks system prior to construction. Such assessment shall be classified, levied, assessed and collected pursuant to provisions of KRS 74.130 to 74.170. Amounts collected through preliminary assessments shall be credited on final assessments when construction is completed.

HB 631, AN ACT relating to gambling devices.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 436.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) (a) Any person who, with or without compensation, sets up, keeps, manages, operates or conducts or assists in setting up, keeping, managing, operating or conducting a keno bank, faro bank or other machine or contrivance used in betting whereby money, or anything of value may be won or lost, or any person who, for compensation, percentage or commission, sets up, keeps, manages, operates or conducts a game of cards, contz or craps, whereby money or anything of value may be won or lost, or with or without compensation, percentage or commission, assists in setting up, carrying on, managing, operating or conducting any game so set up, carried on, managed, operated or conducted for compensation, percentage or commission, shall be fined five hundred dollars, and confined in the penitentiary for not less than one nor more than three years. In addition, he shall be deemed infamous after conviction, and be forever disqualified from exercising the right of suffrage and from holding any state, county or city office of honor, trust or profit. The judgment of conviction shall recite such infamy and disqualification and shall not be valid without the recital.

(b) Any person who, with or without compensation, sets up, keeps, manages, operates or conducts or assists in setting up, keeping, managing, operating or conducting a small table with its surface slanted upwards from the end at which the player stands, and which is equipped with a plunger, bat or electrically operated flipper or turret shooter which the player manipulates, striking therewith some balls which are knocked towards the upper end of the table, and those balls strike a pocket or target or rebound from the upper end of the table and start rolling back by force of gravity toward the lower end of the table, which cause the balls to meander in other directions and register a certain number score, depending upon the number assigned to the particular obstruction or pocket or indicated by lights at time it hits, some obstruction taking a higher score number than others, whereby the play is started by the player depositing a coin in a provided slot, and if the player is successful in obtaining a prescribed result in number score, and he then possesses the opportunity only to replay such table in the same manner without the insertion of another coin, and if such device itself does not pay off in money, tokens or merchandise or other prizes for the winning score and only gives the right of replay without insertion of a coin, depending upon the skill of the player, shall be subject to the penalty provisions of subsection (1) (a) of this Act.

(2) Subsection (1) (a) of this Section shall not apply to persons who play at such games, machines or contrivances, unless they aid or take other part in setting up, conducting, keeping, managing or operating them.

(3) The change of the name of any of the games, banks, tables, machines or contrivances prohibited by subsection (1) (a) of this Section shall not prevent the conviction of any person violating the provisions of that subsection.

(4) Subsection (1) (a) of this Section shall not apply to persons who sell combination or French pools on any regular race track during the races on that track. An indictment for a violation of the provisions of subsection (1) (a) of this Section may charge the accused in one count with any or all of the offenses mentioned or included in that subsection.

HB 641, AN ACT relating to the sale of appliances for the prevention of venereal disease.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 214.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) The State Board of Pharmacy shall issue three kinds of licenses for the sale of the appliances described in KRS 214.190, namely, manufacturer's license, wholesaler's license, and retailer's license. The licenses shall be in writing and one license shall be obtained for each store, loft or salesroom from which sales are to be made, or, in the case

of salesmen not selling from a store, one for each salesman. The licenses shall not be publicly displayed, but shall be at any time exhibited by the licensee or holder to any authorized person who demands an inspection thereof.

(2) A manufacturer's license shall be issued only to an actual manufacturer of the appliances described in KRS 214.190. Retailer's licenses shall be issued only to retail drug stores operated by or employing one or more registered pharmacists, and to salesmen not selling from a fixed location.

(3) Sales under a manufacturer's or wholesaler's license shall be authorized only to those holding a license to sell under this Section or to licensed physicians and medical practitioners. Sales under a retailer's license shall be made only by a registered pharmacist or by licensed salesmen.

HB 651, AN ACT relating to soil conservation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 262.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) A district shall constitute a governmental subdivision of the state and a public body corporate and politic, exercising public power.

(2) The governing body of the district shall consist of a board of five supervisors. On organization of a district, the first two supervisors shall be appointed by the committee as provided in KRS 262.150, and three shall be elected under KRS 262.210 and 262.220. The supervisors shall hold no other city, county or state elective office.

(3) The board may sue and be sued in the name of the district; have a seal, which shall be judicially noticed; have perpetual succession unless terminated as provided in KRS 262.530 to 262.560; make and execute contracts and other instruments necessary or convenient to exercise its powers.

(4) The board may request, and the fiscal court may levy, a tax of not more than two cents per acre, or part thereof, on all lands lying within the boundaries of the county, excluding town lots within the incorporated towns and unincorporated villages of the county. The tax shall be collected in the same manner as other county taxes, and shall be credited to the board. The funds so collected shall be expended by the board for the employment of soil conservation aids, and for other purposes directly associated with the program, including promotional activities, prize moneys, office equipment and supplies, and incidentals deemed necessary.

HB 662, AN ACT relating to intoxicating beverages.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 243.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) No license for the sale of alcoholic beverages at retail shall be issued for any premises unless the applicant for the license is the owner of the premises or is in possession of the premises under a written lease for a term of not less than the license period.

(2) (a) No premises shall be licensed for the sale of alcoholic beverages at retail except where the licensed premises and the entrance to the premises are on the street level and located in a business center or on a main thoroughfare.

(b) Paragraph (a) of this subsection shall not apply to a hotel, club or restaurant which has been bona fide in business as a licensee in premises located above or below the ground floor for at least one year preceding the date on which its application for a license is made. In the class of cases described in this paragraph the administrator to whom the application is made may, in the exercise of his sound discretion, decide whether the premises are to be licensed.

(3) No license for the sale of alcoholic beverages at retail shall be issued for any premises that are located within four hundred feet of the building or buildings occupied exclusively as a school, hospital, public housing project or place of worship, without the written permission of the governing authority of the school, hospital, public housing project or place of worship. Except that a hotel, drug store or private club which has been bona fide in business as a licensee at that location for not less than one year, or prior to the establishment of the school, hospital, public housing project or place of worship may be issued a license by the administrator, in the exercise of his sound discretion, even though the premises are within less than four hundred feet of a building occupied exclusively as a school, hospital, public housing project or place of worship. The measurement shall be taken on the street on which the licensed premises are located, in a straight line from the nearest property line of the real estate on which is located the building used for the school, hospital, public housing project or place of worship, to the nearest property line of the real estate on which is located the building for which a license is sought.

(4) A hotel, drug store, private club or other retail licensee which or who has been a bona fide in business as a licensee at a particular location for not less than one year, or prior to the establishment of the school, hospital, public housing project or place of worship, may be issued a license by the Administrator, in the exercise of his sound discretion, regardless of protest, even though the premises are within less than four hundred feet of a building occupied exclusively as a school, hospital, public housing project or place of worship.

HB 659, AN ACT relating to railroad crossings.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 277.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every railroad company shall cause signal boards to be placed and constantly maintained at each public highway where it is crossed by the railroad track at the same level, except that such boards need not be put up in any city unless required by the city authorities. The boards shall be well supported, and shall be placed so as to be easily seen by travelers and not to obstruct travel, and shall contain on each side, in capital letters at least five inches high, the words "Railroad Crossing."

(2) At all grade crossings where the speed of any vehicle on the railroad tracks may exceed fifteen miles per hour an automatic signal device shall be installed, of a type approved by the State Highway Department. The cost of installing such devices shall be shared equally between the railroad company and the State Highway Department.

(3) No person shall erect on or near a public highway any signboard or other contrivance similar to or like the danger signals used by railroads, interurbans and electric railway companies at road crossings.

HB 660, AN ACT relating to the levy, assessment, and collection of property taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Any city or other taxing district may join with the county in which it is located to form a single unit for the levy, assessment and collection of property taxes.

(2) The annual county assessment of property within all participating cities and districts shall be the basis for all such tax levies ordered by the legislative bodies of participating cities or districts.

Section 2. Any participating city that is without representation on the county board of supervisors may provide at its own expense for one additional member of such board to sit when properties in the city are being considered.

Section 3. The county clerk shall include the levies made by all participating cities and districts on the regular state and county tax bill.

Section 4. (1) All city and district taxes shall be subject to the same due and delinquency date, discounts, penalties and interest as are applied to collection of state and county taxes.

(2) The governing body of any participating city or district may fix by ordinance, order or resolution the time for levying its tax rate, may abolish any office connected with city or district assessment and equalization, except that in case of a city assessor who is elected by the voters of the city the office may not be abolished before the end of the term of such assessor.

Section 5. (1) The sheriff shall collect the taxes due all participating cities and districts and shall make settlement with such cities and districts in the same manner and at the same time or times as provided for state and county taxes. He shall be allowed a fee of four percent for the collection of such taxes.

(2) The sheriff shall annually, before he proceeds to collect any city levy, execute a city levy bond in a sum not less than the amount of city tax receipts that the sheriff will probably have in his hands at any one time, conditioned for the faithful performance of his duties and to pay over in due time to the proper authority, all money collected by him. The bond shall be approved by the governing body of the city. If a corporate bond is required, the sheriff may charge the premium against the funds collected for the city making the request.

Section 6. (1) Delinquent taxes shall be collected in the manner provided by law for collection of state and county taxes. Provided, however, the collection of accumulated delinquent taxes due any participating city or district for years prior to formulation of a single collection agency, shall be as prescribed by law for the individual city or district involved.

(2) Notwithstanding other provisions of law, any suit filed on a delinquent tax bill shall be on behalf of the state, county, city and other district for which the total tax is levied, and any collection made shall be apportioned among the bodies represented.

(3) Any participating city may, with the consent of the Commissioner of Revenue, institute actions for the collection of delinquent taxes. Any such suit shall be based on the entire tax bill.

HB 661, AN ACT proposing an amendment of Section 228 of the Constitution of Kentucky relative to the administering of oaths.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is proposed that Section 228 of the Constitution of Kentucky be amended to read as follows:

Members of the General Assembly and all officers, before they enter upon the execution of the duties of their respective offices, and all members of the bar, before they enter upon the practice of their profession, shall take the following oath or affirmation: I do solemnly swear (or affirm, as the case may be) that I will support the Constitution of the United States and the Constitution of this Commonwealth, and be faithful and true to the Commonwealth of Kentucky so long as I continue a citizen thereof, and that I will faithfully execute, to the best of my ability, the office of ______________ according to law.

Section 2. This proposed amendment shall be submitted to the voters of the Commonwealth for their ratification or rejection at the time and in the manner provided in Sections 256 and 257 of the Constitution and in Sections 118.170 and 118.430 of the Kentucky Revised Statutes.

HB 126, AN ACT providing a penalty for violation of KRS 336.130.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Any person who violates KRS 336.130 shall be fined not less than five hundred dollars nor more than one thousand dollars, and each day of violation shall constitute a separate offense.

HB 178, AN ACT relating to wages.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No employer shall pay a wage at a rate less than one dollar an hour except an employer of persons who work on farms or in domestic service.

Section 2. Any person who violates this Act shall be fined not less than one thousand dollars.

HB 179, AN ACT relating to prevailing rate of wages.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 337.510 of the Kentucky Revised Statutes is amended to read as follows:

Before advertising for bids or entering into any contract for construction of public works, every public authority shall ascertain, establish and prescribe the prevailing rates of wages of laborers, workmen, mechanics, helpers, assistants and apprentices for the class of work called for in the construction of such public works in the locality where the work is to be performed. Public authorities other than state agencies shall ascertain prevailing rates of wages not less than the prevailing rates of wages determined and prescribed by the department. The schedule of wages shall be attached to and made a part of the specification for the work and shall be printed on the bidding blanks and made a part of every contract for the construction of public works.

HB 229, AN ACT relating to punishment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 431.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) No crime shall be punished by death.

(2) A common-law offense, for which punishment is prescribed by statute, shall be punished only in the mode so prescribed.

Section 2. Section 431.060 of the Kentucky Revised Statutes is amended to read as follows:

Offenses are either felonies or misdemeanors. Offenses punishable by confinement in the penitentiary are felonies. All other offenses, whether at common law or made so by statute, are misdemeanors.

Section 3. Section 431.130 of the Kentucky Revised Statutes is amended to read as follows:

A jury by whom an offender is tried in any court of this Commonwealth shall fix by its verdict a punishment to be inflicted within the periods or amounts prescribed by law; provided, however, that upon a verdict of "guilty" or a plea of guilty or "for the Commonwealth" by agreement of the Commonwealth's attorney and the defendant, with the advice of an attorney, the court may, within its discretion, and without the intervention of a jury, fix the degree of punishment within the periods or amounts prescribed by law, except in cases involving an offense punishable by confinement in the penitentiary for life without privilege of parole. Prisoners sentenced to punishment by confinement in the penitentiary shall be kept at hard labor. If the punishment is a fine or imprisonment in the jail of the county, or both, the imprisonment shall be close confinement in the jail of the county where the trial was held, unless otherwise provided. The prisoner shall also be confined in the county jail until the costs are paid, unless otherwise provided. In any jurisdiction where there is a county workhouse the court may in its discretion confine the prisoner to the county workhouse instead of the county jail.

Section 4. Section 433.140 of the Kentucky Revised Statutes is amended to read as follows:

Any person who commits robbery or burglary or any act penalized by KRS 433.130 and in committing the act uses or displays any pistol, gun, or other firearm or deadly weapon, shall be punished by confinement in the penitentiary for life without privilege of parole, or by confinement in the penitentiary for life.

Section 5. Section 433.150 of the Kentucky Revised Statutes is amended to read as follows:

Any person who, with an offensive weapon or instrument, unlawfully and maliciously assaults another, or who in any forcible and violent manner demands any money, goods or chattels, bond, bill, deed or will or other evidence of right, or other thing of value from any person, with an intent to rob or commit a robbery upon him, shall be punished by confinement in the penitentiary for life without privilege of parole, or for life, or for twenty-one years.

Section 6. Section 435.010 of the Kentucky Revised Statutes is amended to read as follows:

Any person who commits willful murder shall be punished by confinement in the penitentiary for life without privilege of parole, or for life.

Section 7. Section 435.030 of the Kentucky Revised Statutes is amended to read as follows:

Any person who violates any of the provisions of KRS 432.020 to 432.050 shall be punished by confinement in the penitentiary for life without privilege of parole, or for life, if the death of any person occurs in the course of or by reason of the violation, or the violation contributes to the death.

Section 8. Section 435.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in subsections (2), (3) and (4) of this section, "mob" means any number of persons more than three, assembled to do violence or injury to or lynch any person in the custody of a peace officer or jailer in this state.

(2) Any person who takes part in and with any mob shall be punished by confinement in the penitentiary for life without privilege of parole, or for life, if the person in custody meets death at the hands of the mob.

(3) Any person who takes part in and with a mob shall be confined in the penitentiary for not less than two nor more than twenty-one years, if the person in custody does not meet death at the hands of the mob.

(4) Any person not standing in the relationship of husband and wife, parent, grandparent, child, grandchild, brother or sister, by consanguinity or affinity, who, after subsections (2) and (3) of this section have been violated, harbors, conceals or aids any member of the mob who participated in the offense, with the intent that that member of the mob shall escape arrest or punishment, shall be confined in the penitentiary for not less than two nor more than twenty-one years.

Section 9. Section 435.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who commits rape upon a child under twelve years of age shall be punished by confinement in the penitentiary for life without privilege of parole, or for life.

(2) Any person who attempts to commit rape upon a child under twelve years of age shall be confined in the penitentiary for not less than five nor more than twenty years.

Section 10. Section 435.090 of the Kentucky Revised Statutes is amended to read as follows:

Any person who unlawfully carnally knows a female of and above twelve years of age against her will or consent, or by force or while she is insensible, shall be punished by confinement in the penitentiary for life without privilege of parole, or for life, or by confinement in the penitentiary for not less than ten years nor more than twenty years.

Section 11. Section 435.100 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in subsection (2) of this section, any male person who carnally knows, with her consent, any female child, not his wife, and any female person who carnally knows any male child, not her husband, shall:

(a) If the child is under twelve years of age, be punished by confinement in the penitentiary for not less than twenty nor more than fifty years, or for life without privilege of parole.

(b) If the child is of the age of twelve years and under sixteen, be confined in the penitentiary for not less than five nor more than twenty years.

(c) If the child is of the age of sixteen years and under eighteen, be confined in the penitentiary for not less than two nor more than ten years, unless it is shown by the evidence, beyond a reasonable doubt, that the prosecutrix is sexually immoral or has a reputation for sexual immorality, in which case the defendant shall be fined not more than five hundred dollars. In all prosecutions for carnally knowing a female between the ages of sixteen and eighteen years, previous acts of sexual immorality committed by the female and her general reputation for sexual immorality may be proven.

(2) Any male person of the age of seventeen years and under twenty-one and any female person of the age of eighteen years and under twenty-one who violates any of the provisions of this section shall be fined not more than five hundred dollars.

(3) When the complaining witness is over the age of sixteen years and the defendant is under twenty-one, testimony may be heard in aggravation or mitigation of the charge.

Section 12. Section 435.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who, forcibly or otherwise, holds another against his will to unlawfully obtain a ransom for his release, or who aids or abets any person thus offending, shall be punished by confinement in the penitentiary for life, or for life without privilege of parole.

(2) Any person charged with violating subsection (1) of this section may be tried in any county into or through which the person held has been carried or brought.

Section 13. Section 435.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who recklessly throws a stone or other missile at or into, or shoots at or into, any railroad engine or cars attached to the engine, passenger coach, any station or station platform occupied by any person, or at or into any motor vehicle, stationary or traveling upon any public highway in this state, shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned for not less than six nor more than twelve months.

(2) If the missile thrown or the shot fired was calculated to produce death or great bodily harm, and any person on or in the engine, cars, coach, station, station platform or motor vehicle is injured or wounded the person so throwing or shooting shall be confined in the penitentiary for not less than one nor more than five years, and should death ensue from such throwing or shooting within one year thereafter the person guilty of the throwing or shooting shall be punished by confinement in the penitentiary for life, or for life without privilege of parole.

Section 14. Section 6 of the Criminal Code of Practice is amended to read as follows:

A felony is an offense of which the punishment is confinement in the penitentiary.

Section 15. Section 293 of the Criminal Code of Practice is amended to read as follows:

A certified copy of a judgment of confinement, either in the penitentiary or in the county jail, shall be furnished forthwith to the sheriff, who shall thereupon execute it, and no other warrant or authority is necessary to its execution.

Section 16. Sections 431.220, 431.230, 431.240, 431.250, 431.260, and 431.270 of the Kentucky Revised Statutes, and Sections 290, 294, 295, 296, 297, 342, and 346 of the Criminal Code of Practice are repealed.

HB 268, AN ACT relating to wage earners to be paid and deductions made.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 337.030 of the Kentucky Revised Statutes is amended to read as follows:

Wage earners to be paid in lawful money. Every person owning or controlling any factory, mine or workshop in this state and every corporation shall pay its wage earners for their labor in lawful money and shall furnish each employee a statement of total hours paid for in that pay period and total amount of wages paid with an itemized statement of deductions made from each employees' pay in that pay period.

HB 361, AN ACT relating to the operation of spray painting equipment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this chapter unless the context requires otherwise:

(1) "Commissioner" means the Commissioner of Agriculture, Labor and Statistics; and

(2) "Board" means the Board of Agriculture; and

(3) "Department" means the Department of Agriculture, Labor and Statistics; and

(4) "Owner" means any individual, firm, partnership, corporation, organization, association, or any combination thereof who owns a business for the purpose of applying paint to structures of any nature by means of spray equipment of any kind.

Section 2. Any person engaging in the business of applying paint to any structure by means of spray equipment within the Commonwealth shall register with the Department and pay an annual license fee of fifty dollars, before engaging in such business. An additional license shall be required for each such place of business maintained.

Section 3. The board shall have the power to promulgate reasonable rules and regulations concerning the following matters:

(1) Standards of materials used;

(2) Standards of application and workmanship;

(3) Proper safety precautions;

(4) Requirements for contractual responsibilities and fulfillment of agreements;

(5) Proof of financial responsibility;

(6) Furnishing of information necessary for the proper administration of this chapter.

Section 4. The duly authorized agents of the department shall have all the power and authority of peace officers in administering the provisions of this chapter.

Section 5. Licenses may be suspended or revoked by the Commissioner for the following causes:

(a) Making or causing to be made misrepresentations for the purpose of defrauding the public.

(b) Failing to pay any final judgment rendered by reason of liabilities resulting from activities prescribed by this chapter.

(c) Refusal to provide the department with reasonable information upon request.

(d) Any other conduct that constitutes improper, fraudulent, or dishonest dealing.

Section 6. The Commissioner shall conduct a public hearing on the question of revocation or suspension of a spray painter's license. The owner of such license shall be given notice in writing not less than ten days prior to the date of such hearing, by registered and pre-paid mail. The owner may appear in person, with counsel at such hearing.

Section 7. If the license is to be revoked or suspended, or if an application for license is refused, the Commissioner shall notify the applicant or owner within ten days after such decision is made. The applicant or owner shall have fifteen days after such notification to petition the board for a rehearing.

If such rehearing is granted, the Commissioner shall notify the owner or applicant within ten days after the decision is made. If the decision remains unchanged, the applicant or owner may appeal to the circuit court in the county in which he intends to operate his business. If appeal is taken within fifteen days, the decision by the Commissioner shall not become final until final adjudication by the circuit court. However, the Commissioner may require the posting of a reasonable bond pending final adjudication.

Section 8. In the event of any change in ownership in a spray painting business, the new owner shall, within thirty days of acquiring ownership, make application for a spray-painting license in conformity with the provisions of this chapter. If the application is approved, no further license fee shall be required for the period covered by the license issued to the former owner.

Section 9. This Act shall not apply to any individual working on his own premises or to regular employes working on the property of their employer.

Section 10. All license fees and all other fees collected under this chapter shall be paid into the State Treasury to the credit of a revolving fund for the use of the department in carrying out the provisions of this chapter.

Section 11. Any person violating any of the provisions of this chapter shall be fined not less than one hundred dollars nor more than five hundred dollars, and imprisoned not more than one year, or both. Each violation shall be deemed a separate offense.

HB 389, AN ACT relating to teacher retirement.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of KRS 161.220 to 161.710 is created to read as follows:

A teacher who has withdrawn from the retirement system may be re-instated if he restores all accumulated contributions that he received when he withdrew, and pays into the system an amount equal to the payments he would have made had he not withdrawn, all payments to be accompanied with the appropriate amount of interest, computed at the rate of three percent.

HB 527, AN ACT relating to juvenile court.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 208.540 of the Kentucky Revised Statutes is amended to read as follows:

All travel expenses and other necessary expenses incurred in transporting a child from the committing court or from the detention facility of the committing court to an institution or facility operated by the department under the juvenile court laws shall be paid for out of funds appropriated for that purpose by the county court.

HB 543, AN ACT relating to Unfair Trade Practices.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No employer shall purchase, cause to be purchased, or receive orders for the purchase of, any goods or merchandise in the name of or on the credit of such employer, or at special discounts available to such employer, for any purpose other than for use or resale in the regular course of such employer's business. Provided, however, that this statute shall not apply to purchases by an employer for the purpose of resale to employees, of foodstuffs, tobacco products, and such specialized appliances and equipment as may be required for the safety and well being of such employees.

Section 2. A new sub-section is added to Section 365.990 of the Kentucky Revised Statutes to read as follows:

Any employer who violates the provisions of KRS (above) shall be fined one hundred dollars for the first offense, and not less than five hundred dollars nor more than one thousand dollars for each subsequent offense.

HB 555, AN ACT relating to Commonwealth's Attorneys.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 69.010 through 69.130 of the Kentucky Revised Statutes are repealed.

Section 2. The duties previously imposed on the Commonwealth's attorney by KRS 69.010 through 69.130 shall be assumed and carried out by the county attorney.

Section 3. This Act shall become effective on the first Monday in January, 1962.

HB 556, AN ACT creating a Horticultural Commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

I. *As used in this act, unless the context requires otherwise:*

1. "Commission" shall mean the Horticultural Commission.

2. "Chairman" shall mean the Chairman of the Horticultural Commission.

3. "Person" shall mean an individual, firm or corporation.

4. "Entomologist" shall mean a person who is qualified, as set forth herein, to prescribe necessary remedial measures for the control and eradication of plant diseases.

5. "Pathologist" shall mean a person that is qualified, as set forth herein, to prescribe necessary remedial measures for the control and eradication of plant diseases.

6. "Tree Surgeon" shall mean a person that is qualified, as set forth herein, to practice the application of necessary measures in preserving or prolonging the life of trees by proper pruning, bracing and cavity work.

7. "Ornamental Horticulturist" shall mean a person that is qualified, as set forth herein, to practice the growing and propagating ornamental shrubs and flowering plants, and is a dealer in same.

8. "Retail Florist" shall mean a person that is qualified, as set forth herein, to practice the growing of plants and flowers, caring for same, preparing floral designs, and is a dealer in same.

9. "Wholesale Florist" shall mean a person that sells flowers to retail florists and is qualified, as set forth herein, or has in his employ a person so qualified, to identify, care for, grade flowers, etc., and has equipment for properly caring for such flowers.

10. "Landscape Gardener" shall mean a person that is qualified, as set forth herein, in the execution of plans prepared by landscape architects, and/or in planning and developing gardens by means of ornamental plants.

11. "Landscape Architect" shall mean a person who holds a certificate or license to practice Landscape Architecture in this State, as set forth herein, in preparing plans, studies, surveys, and specifications for the design and arrangement of land forms and non-habitable architectural features such as: pools, walls, overhead structures, etc., for public or private use and enjoyment, embracing plans for subdivisions, drainage, plantings, soil conservation, and erosion control, and supervising the execution of these plans in accordance with the accepted professional standards of public health and safety.

12. "License" shall mean a document issued by the Commission within the meaning of the Act and rules and regulations authorizing the practice of the professional service and/or floricultural phases indicated thereon.

13. "Permit" shall mean a document issued by the Horticultural Commission within the meaning of the Act and Rules and Regulations promulgated in accordance therewith authorizing the practice of the professional service indicated thereon.

II. CREATION OF HORTICULTURAL COMMISSION: RULES AND REGULATIONS

A. There is hereby created a Horticultural Commission of Kentucky to be composed of the Commissioner of Agriculture and Immigration, the state entomologist, and the director of University of Kentucky Experiment Station, a licensed nurseryman, licensed entomologist, a licensed wholesale florist, a licensed retail florist, and a licensed landscape architect, who shall be appointed by the Governor from a list submitted to him in writing by the Kentucky Florists Association and the Kentucky Nurserymens Association. The nurseryman shall be initially appointed for a period of one year, the entomologist for a period of two years, the wholesale florist for a period of three years, the retail florist for a period of four years; and, at the expiration of their respective initial appointments, to be thereafter appointed by the Governor from a list submitted to him in writing by the Associations represented by the retiring Board members, each for a period of four years, and said commission shall have the power to make rules and regulations governing the qualifications and the practice of persons engaged in the professional services herein defined; and to require applicants for a license to pass satisfactorily such examinations as the commission may prescribe and to pay for materials used in such examinations; and to make rules and regulations to prevent fraudulent practices in the professional services herein defined.

The Chairman of the Commission shall be the Commissioner of Agriculture, Labor and Statistics, whose duty it shall be to enforce this Chapter, and the rules and regulations adopted by the Commission.

III. LICENSE

A. No person engaged in the occupations set out herein prior to the effective date of this act shall be required to take the examinations set out herein, and each person so engaged shall be issued a license by the Commission; however, said license may be suspended or revoked as is provided in this act.

B. Every person, except as set out in (A) above, before engaging in the professional service or work, as herein defined, shall satisfactorily pass an examination therein as shall be prescribed by the Commission, to obtain from the Commission a license to engage in such professional work or services. The application to take the examination for such license shall be in writing and on such blank forms as the Commission shall prescribe. Such application, among other matters, shall contain appropriate statements as shall be required by the Commission concerning the professional experience and qualifications of such applicant; and the applicant shall pay the cost of materials that may be used in such examination before he shall be permitted to take such examination.

IV. PROFESSIONAL SERVICES FOR WHICH A LICENSE AND/OR PERMIT IS REQUIRED

A license is required for entomological work; pathological work; tree surgeon; ornamental horticulturist; retail florist; wholesale florist; landscape gardener; landscape architect; spraying and dusting of ornamental plants; fumigation.

A permit is required for agricultural crop insect checker and agricultural crop sprayer and duster.

V. PROFESSIONAL SERVICES ARE DEFINED AS FOLLOWS:

(1) *Entomological service.* Receiving fees, directly or indirectly, for advice or prescriptions for the control or eradication of any agricultural or horticultural insect pest. Receiving fees, directly or indirectly, for actual spraying, dusting, fumigating or any other method used for the control or eradication of any agricultural or horticultural insect pest.

(2) *Pathological service.* Receiving fees, directly or indirectly, for advice or prescriptions for the control or eradication of any agricultural or horticultural plant diseases. Receiving fees, directly or indirectly, for actual spraying or any other method used for the control or eradication of any agricultural or horticultural plant disease.

(3) *Tree Surgery service.* Receiving fees, directly or indirectly, for pruning or cavity work of shrubs and trees or treating shrubs and trees in any manner whatsoever to retard or repair decay or disease of same, and to prolong the life of the shrubs or trees so treated.

(4) *Horticultural service.* Buying for resale of horticultural or floricultural plants and/or for services of nurseryman or other persons receiving fees for landscaping or setting of plants, except those nurserymen selling their own certified plants, or certified plants obtained by a nurseryman for resale to supplement his own grown certified plants, when not engaged in landscaping or setting of plants as herein described.

(5) *Retail and wholesale florist service.* Buying for resale, or selling on commission or fee basis, whether designated as consignee, agent, or otherwise, cut flowers, pot plants, pot plant flowers and accessories ordinarily and commonly used in florist work, including sale of all floral designs created with or without accessories. A person selling unprocessed cut flowers grown by him is exempt from this part.

VI. QUALIFICATIONS OF APPLICANTS OR APPLICANTS AGENT TO ENGAGE IN:

1. Entomological Work:

a. Must be a graduate of a College or University, majoring in entomology, or

b. Must present satisfactory evidence to the Commission of having done two (2) years satisfactory work in a special field of entomological work either through self-employment or from an agency approved by the Commission.

2. Pathological Work:

a. Must be a graduate of a College or University, majoring in plant pathology, or

b. Must present satisfactory evidence to the Commission of having done two (2) years satisfactory work in a special field of plant pathological work, either through self-employment or from an agency approved by the Comission.

3. Tree Surgery Work:

a. Must be a graduate of a College or University, majoring in horticulture and tree surgery, or

b. Must substantiate having served two (2) years satisfactory tree surgery work under a licensed tree surgeon by an affidavit from said employer, or

c. Must substantiate having been successfully self-employed in tree surgery work for a minimum of two (2) years by an affidavit signed by someone other than self.

4. Ornamental Horticulturist:

a. Must be a graduate of a College or University, majoring in ornamental horticulture, or

b. Must substantiate having completed two (2) years of satisfactory work under a licensed ornamental horticulturist by an affidavit from said employer, or

c. Must substantiate having been successfully self-employed in ornamental horticultural work for a minimum of two (2) years by an affidavit signed by someone other than self.

5. Retail Florist:

a. Must be a graduate of a College or University, majoring in floriculture, or

b. Must substantiate having served two (2) years satisfactory floricultural work under a licensed florist by an affidavit from said employer, or

c. Must substantiate having been successfully self-employed in floriculture work for a minimum of two (2) years by an affidavit signed by someone other than self.

6. Wholesale Florist:

a. Must be a graduate of a College or University, majoring in floriculture, or

b. Must substantiate having served two (2) years satisfactory floricultural work under a licensed wholesale florist or retail florist by an affidavit from said employer, or

c. Must substantiate having been successfully self-employed in wholesale floricultural work for a minimum of two (2) years by an affidavit signed by someone other than self.

7. Landscape Gardner:

a. Must be a horticulturist or landscape architect, or

b. Must substantiate having served one (1) year satisfactory work with a licensed landscape gardener by an affidavit from said gardner, or

c. Must substantiate having been successfully self-employed in landscape gardening for a minimum of one (1) year by an affidavit signed by someone other than self.

8. Landscape Architect:

a. Must be a graduate of a College or University, majoring in horticulture and landscaping architecture, or

b. Must substantiate having served two (2) years satisfactory work with a licensed landscape architect by an affidavit from said architect, or

c. Must substantiate having been successfully self-employed in landscape architecture for a minimum of two (2) years by an affidavit signed by someone other than self.

VII. CONDITIONS GOVERNING ISSUANCE OF LICENSE AND/OR PERMIT.

1. The applicant must be eligible under conditions set forth in Section VI, or have regularly employed a qualified licensed agent at each place of business who will be responsible and exercise immediate supervision over the professional work for which license and/or permit is issued.

2. The applicant or his agents must pass a satisfactory examination, which may be written, oral or both, in the subject for which application for license is made. Applicants desiring to qualify for a license to engage in retail floristry must, in addition to passing the written examination, demonstrate by actual floral design work their qualifications for a license in this profession. The total cost of materials used must be absorbed by the applicant on a pro rata basis. Applications for examinations shall be filed with the Commission twenty (20) days prior to examination date. Examinations for licenses will be given in Frankfort on dates set by the Commission during the months of January and July each year.

3. Entomologists shall furnish, when required by the Commission, reports and sketches stipulating the number of acres on each farm they have contracted to work.

4. Entomologists shall prescribe remedial measures that are recommended by the Kentucky Experiment Station, Extension Service and United States Department of Agriculture, cooperating.

VIII. DURATION OF LICENSE AND/OR PERMIT AND REVOKING OF SAME.

1. A license to engage in professional services shall be valid indefinitely provided:

a. All plants moved by licenses are in compliance with all state laws pertaining to the movement of plants.

b. That licensee continuously and/or seasonally engages in the profession for which a license is issued, at the location designated in license, unless permission is granted by the Commission. License must be returned to be cancelled and/or reissued at any time there is a change in the name of establishment, address or supervisor.

c. That persons who have been issued a permit must comply with all requirements as set forth by the Act and the regulations promulgated in accordance therewith.

2. When a license and/or permit has been revoked, the Secretary of the Commission shall notify the person to whom the license and/or permit was issued, in writing, and direct that the license and/or permit must be returned within five (5) days.

IX. SEALS PERMITTED FOR LANDSCAPE ARCHITECT LICENSES.

Each registrant hereunder may upon being licensed obtain a seal of a design authorized by the Kentucky Horticultural Commission, bearing the registrant's name and the legend "Registered Landscape . . . ." (insert the branch of landscaping in which the registrant is licensed and his number of registration). All registrants engaged in the practice of Landscap Architecture either in a private or professional practice or as an employee of a corporation, company, partnership, individual or other private employer may impress with his official seal all plants, specifications, plots, maps, studies, reports, or other drawings or documents which he shall prepare or which shall be prepared under his supervision.

All registrants who are employed by the State of Kentucky or some political subdivision thereof, or by a county, city, municipality, or any department, branch or agency of the United States Government or any other public corporation, body or agency, may, if they wish, impress their seal upon all plans, specifications, plots, maps, studies, reports or other drawings or documents which they prepare in the practice of Landscape Architecture, but such use is not mandatory.

Registration number and number of license shall be the same.

X. ALL PROFESSIONAL SERVICES MUST BE SUPERVISED BY A QUALIFIED PERSON OR PERSONS.

Any person engaged in any of the professions as set forth herein and/or the regulations promulgated in accordance therewith who is not qualified to engage in such professional services shall have regularly employed a person who is qualified to engage in such professional services and licensed by the Horticultural Commission.

XI. COMMISSION MEETING AND ISSUANCE OF LICENSES.

1. Regular semi-annual meetings shall be held by the Commission in Frankfort in January and July. Special meetings may be called by the Chairman at any time on request of a member of the Commission.

2. The issuance of licenses shall be by the Commission after reviewing evidence of the Secretary of the Commission that requirements have been complied with, or by the Secretary, with the approval of the Commission.

XII. VIOLATIONS AND PENALTIES.

For each day any person violates any of the provisions of this Chapter, or the rules and regulations of the Commission made in accordance therewith, such person shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than twenty-five dollars nor more than two hundred fifty dollars, or be imprisoned for not less than ten days nor more than thirty days, or both, in the discretion of the court, for such violation thereof; and any licensee convicted of two or more such violations in any one period of twelve consecutive months shall have his license cancelled and shall not be permitted to apply for a new license within six months from the cancellation of said license for such cause.

The commissioner is hereby granted the right of injunctive relief to restrain and prevent the violation of any of the provisions of this act, or the rules and regulations of the commission made in accordance therewith, the action for injunction relief to be brought within the county in which the violation occurs.

XIII. MANDAMUS TO COMPEL ISSUANCE OF LICENSE.

Any person who shall have been refused a license to engage in such professional work by said horticultural commission shall have a right to enter suit by mandamus or other proper legal proceedings in the Franklin Circuit Court against said horticultural commission and said court shall have jurisdiction to compel said horticultural commission to issue a license to said applicant in such cases as the court may find the applicant qualified to do said work.

XIV. There is hereby appropriated from the General Fund the sum of $10,000.00 for the 1958-59 and 1960-61 biennium to the Horticultural Commission for the purpose of administering this Act.

XV. If any section or part of any section of this Act is declared to be unconstitutional, the remainder of the Act shall not be invalidated.

HB 573, AN ACT relating to the practice of medicine.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) In enacting this legislation, the General Assembly recognizes that the public health, safety and welfare demand that certain unethical medical practices be prescribed. The General Assembly further recognizes that the medical profession is peculiarly affected with a public trust, which requires that agreements made between the members thereof, do not result in injury to the general public.

(2) Any contract, which by its terms, prohibits a physician from practicing his profession in any area or community, is totally void and of no effect. Provided, that the provisions of this Act have no application to contracts provided for by KRS 211.290 to KRS 211.990.

HB 593, AN ACT relating to bonds of contractors for public buildings or works.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Before any contract exceeding $2,000 in amount, for the construction, improvement or repair of any public building or public work is awarded by the Commonwealth of Kentucky or any political subdivision thereof or by any agency of any of the foregoing, to any person, such person shall furnish to the Commonwealth of Kentucky or to such other contracting body as the case may be, a payment bond solely for the protection of persons supplying labor or materials to the contractor or his subcontractors in the prosecution of the work provided for in such contract, which shall become binding upon the award of the contract to such person, who is hereinafter designated as "contractor."

(2) Each such bond shall be executed by a surety company duly authorized to do business in the Commonwealth of Kentucky and shall be in such amount as the officer awarding the contract shall deem adequate, provided, however, that no such bond shall be accepted in an amount less than 50 per centum of the total amount payable by the terms of the contract.

(3) In the case of contracts of the Commonwealth, or any department, institution or agency thereof, the aforesaid bond shall be payable to the Commonwealth. In the case of all other contracts subject to this Act, the bonds shall be payable to the public body concerned.

(4) Bonds payable to the Commonwealth shall be filed in the office of the Secretary of State. All other bonds shall be filed in the office of the Clerk of the County Court in which county the work is to be performed.

Section 2. Every person who has furnished labor or material in the prosecution of the work provided for in such contract in respect of which a payment bond is furnished under the provisions of subsection (1) hereof and who has not been paid in full therefor before the expiration of a period of one hundred and twenty days after the day on which the last of the labor was done or performed by him or material was furnished or supplied by him for which such claim is made, shall have the right to sue on such payment bond for the amount, or the balance thereof, unpaid at the time of institution of such suit and to prosecute such action to final judgment for the sum or sums justly due him and have execution thereon; provided, however, that any person having a direct contractual relationship with a subcontractor of the contractor furnishing such payment bond but no contractual relationship express or implied with such contractor shall have a direct right of action upon such payment bond upon giving written notice to such contractor within one hundred and twenty days from the date on which such person performed the last of the labor or furnished or supplied the last of the material for which such claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the material was furnished or supplied or for whom the labor was done or performed. Such notice shall be served by mailing the same by registered or certified mail, postage prepaid, in an envelope addressed to the contractor at any place he maintains an office or conducts his business or at his residence, or in any manner in which the Kentucky Civil Rules of Practice authorize the service of summons.

Section 3. Every suit instituted under Section 2 of this Act shall be brought in a Kentucky court of competent jurisdiction in and for the county or other political subdivision of the Commonwealth in which the project, or any part thereof is situated, or in the United States District Court for the district in which the project, or any part thereof is situated and not elsewhere; provided, however, that no such suit shall be commenced after the expiration of one year after the date of final acceptance of the work performed under the contract. The Commonwealth or any political subdivision thereof shall not be liable for the payment of any costs of expenses of such suit.

Section 4. The officer in charge of the office wherein the payment bond is required to be filed is authorized and directed to furnish, to any person making application therefor who submits an affidavit that he has supplied labor, or materials, for such work and payment therefor has not been made or that he is being sued on any such bond, a certified copy of such bond which copy shall be prima facie evidence of the contents, execution, and delivery of the original. Applicants shall pay for such certified copies such reasonable fees as the aforesaid officer shall fix to cover the cost of preparation thereof.

Section 5. The term "person" and the masculine pronoun as used in this Act shall include all persons whether individuals, associations, co-partnerships, or corporations.

Section 6. This Act shall not apply to any contract awarded pursuant to any invitation for bids issued on or before the effective date of this Act, or to any person or bonds in respect to any such contract; provided, however, that rights, duties and obligations of parties arising under, or incidental to, bonds executed prior to the effective date of this Act shall continue to be governed by the laws of the Commonwealth of Kentucky heretofore applicable to such bonds.

HB 632, AN ACT relating to the election of county school superintendents.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In each county school district there shall be elected a county superintendent of schools, who shall take office on the first Monday in January following his election and hold office for a term of four years and until his successor is elected and qualified. The election for county school superintendent shall be held at the regular November election in the year in which county officers are elected, the first election being held in 1961. The term of any superintendent of county schools appointed under KRS 160.350 shall not extend beyond June 30, 1961, except that the superintendent whose term will expire on June 30, 1961 shall continue to remain in office until the first Monday in January of 1962.

Section 2. The county school superintendent shall be elected by the voters of the county excluding the voters of independent school districts within the county.

Section 3. No person shall be eligible for the office of school superintendent who does not, at the time of his election, hold a statement signed by the Superintendent of Public Instruction that he has been duly issued a certificate of administration and supervision issued in accordance with the provisions of law, and which qualifies him to hold the position to which he may be elected, and he shall hold such certificate throughout his term of office; nor shall he be eligible to such office unless, at the time of his election, he is twenty-four years of age or over, and has been a resident of this state at least one year.

Section 4. The names of candidates for county school superintendent shall be on a separate ballot from all other ballots used in the election. No party emblem or symbol shall be placed on such ballot, or other device to indicate the political affiliation of any candidate. The county clerk shall cause to be printed on the ballot the names of all eligible candidates for the office of county school superintendent, in whose behalf he is petitioned to do so in writing by not less than one hundred voters of the county qualified to vote for the superintendent. The petition must be filed in the office of the county clerk not more than sixty days nor less than forty-five days before the day of election. Each petition must be signed by the requisite number of qualified voters, and shall show the place of residence of each signer. No person shall sign more than one petition. The names of the candidates shall be rotated on the ballots according to the principle set forth in KRS 160.230 for candidates for the county board of education.

Section 5. The provisions of the general election laws shall, so far as applicable, apply to the conducting of elections for county school superintendent. The provisions of the primary election laws shall not apply.

Section 6. The county board of education shall fix the salary of the county superintendent, prior to the taking of his office, at not less than $3,000 per annum to be paid in monthly installments.

Section 7. KRS 160.350 shall, after the effective date of this act, apply only to superintendents of independent school districts, but the other provisions of the school laws relating to the respective powers and duties of boards of education and school superintendents shall continue to apply to county school districts and superintendents.

HB 639, AN ACT relating to motor vehicle convictions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.550 of the Kentucky Revised Statutes is amended to read as follows:

(1) The clerk of any court or the judge of any court which has no clerk, when acting as the clerk of the court, having jurisdiction over offenses committed under motor vehicle laws shall report upon a form furnished by the department the conviction, pleas or forfeiture of bond arising under motor vehicle laws, to the department within fifteen days.

(2) A fee of twenty-five cents shall be taxed against the defendant to cover the expenses of making such report. Such fee shall be mailed to the Department of Revenue. The Department of Public Safety and Department of Revenue shall reconcile the valid completed abstracts and credit the balance to the court.

(3) The court shall take up the motor vehicle operator's license certificate of a person convicted of any of the offenses for which mandatory revocation is provided in KRS 186.560 and forward both the operator's license certificate and the abstract known as Form 256, to the Department of Public Safety within three days after such conviction.

HB 644, AN ACT relating to electrical safety.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise:

(a) "Electrical contractor" means any individual, partnership or corporation that proceeds with or employs others for the construction, alteration, or repair of any electrical wiring for the purpose of furnishing heat, light or power;

(b) "Electrician" means any person who is employed by an electrical contractor, and is engaged in the construction, alteration, or repair of any electrical wiring for the purpose of furnishing heat, light or power;

(c) "Electrical" pertains to the installation of wires and conduits in buildings for the purpose of transmitting electricity therethrough, and the installation of fixtures and equipment in connection therewith;

(d) "City" means the legislative body of a city of the first or second class;

(e) "County" means the fiscal court of a county containing such a city.

Section 2. Any action authorized by the provisions of this Act to be accomplished by the legislative body of a city of the first or second class or the fiscal court of any county containing such a city may be performed by such city and county as a joint endeavor.

Section 3. A city or county may require the inspection of all electrical wiring and installations within its area and the licensing of all electrical contractors and electricians performing services within their areas.

Section 4. (1) Any city or county may appoint an electrical inspector and any deputy electrical inspectors that it deems necessary to carry out the purposes of this Act.

(2) The electrical inspectors shall be competent electricans of good moral character and shall have a thorough knowledge of the standard materials used and methods employed in the installation of electrical wiring, devices and equipment. Such inspectors shall be well versed in approved methods of installing and maintaining electrical connections that will ensure safety to life and property, and be familiar with the National Electrical Code, and all safety requirements provided by law.

(3) The salary of the electrical inspector and his deputies shall be fixed by the legislative body of the city or the fiscal court of the county.

Section 5. (1) A city or county may require any person to obtain permits before commencing any construction, alteration or repairs of any electrical wiring, and require such inspection as it deems necessary for the safety of life and property.

(2) Reasonable standards for the construction, alteration, and repair of any electrical wiring may be set by the city or the county and such standards shall be used by the electrical inspector in making his inspections.

(3) The electrical inspector may charge a reasonable fee for his services which shall be set by the city or county.

Section 6. (1) A city or county may require all electrical contractors and electricians to be examined by an examining board before being issued a license to engage in their occupation.

(2) The board shall be composed of five members appointed by the city or county, one of whom shall be the electrical inspector, and of the remaining four not more than two shall be members of the same political party.

(3) The members of the examining board except the inspector, shall serve without salary.

(4) Electrical contractors and electricians may be required to pay a reasonable fee before issuance of a license to them.

Section 7. A city or county may fix as a penalty for the violation of any ordinance or resolution passed under the provisions of this Act, a fine of not less than ten dollars nor more than one hundred dollars, or imprisoned for not more than ninety days, or both.

HB 646, AN ACT relating to death benefits payable under the Teachers Retirement System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Death benefits payable under the provisions of Chapter 161 of the Kentucky Revised Statutes and the provisions of the Teachers Retirement System shall be paid to beneficiaries becoming eligible by May 1, 1958, or upon passage of this Bill and approval by the Governor, whichever date comes first.

Section 2. WHEREAS, there is a pressing need for the payment of such benefits immediately, an emergency is hereby declared to exist and this Bill becomes effective upon its passage and approval by the Governor.

HB 649, AN ACT relating to house trailers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No person shall tow on any highway a house trailer more than eight feet wide, or of such length that when combined with the towing vehicle the combination exceeds fifty feet, unless a permit authorizing such towing has been issued as provided in KRS 189.270.

Section 2. Any person who violates Section 1 of this Act shall be fined not less than twenty dollars nor more than one hundred dollars.

HB 654, AN ACT relating to city alcoholic beverages license fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 243.070 of the Kentucky Revised Statutes is amended to read as follows:

The city legislative body of any city in which traffic in alcoholic beverages is not prohibited under KRS Chapter 242 may impose license fees for the privilege of manufacturing and trafficking in alcoholic beverages. Only such licenses may be issued as correspond, in their provisions and the business authorized, to the licenses provided for in subsections (1), (2), (3), (5), (6), (7), (15) and (16) of KRS 243.030 and subsections (1), (2), (3) and (6) of KRS 243.040.

HR 86, A JOINT RESOLUTION authorizing civil action against the Commonwealth of Kentucky in the interest of David C. Walls.

WHEREAS, it appears by affidavit that David C. Walls has sustained injuries to certain real estate located on the west side of State Highway No. 159 near the north city limits of the town of Hardinsburg in Breckinridge County, Kentucky; and

WHEREAS, it appears that the damages may have been sustained by reason of the actions of the Department of Highways, its agents, servants and employees, in the taking of said land, or a portion thereof, or by negligent damage thereto, by the discharge of great quantities of water thereon; and

WHEREAS, the amount of damages claimed exceeds the jurisdiction of the Board of Claims.

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That David C. Walls is authorized to sue the Commonwealth of Kentucky, and the Department of Highways thereof, in the Breckinridge Circuit Court for damages allegedly resulting from the taking of a part of his real estate, or the negilgent damage thereof, in connection with the construction, reconstruction and/or maintenance of Kentucky Highway No. 159, whereby great quantities of water has been alleged to have been discharged thereon.

Section 2. Suit shall be for a sum not in excess of seven thousand dollars ($7,000.00), and if commenced within one (1) year of the effective date of this resolution, no plea of limitations will be interposed.

Section 3. The Attorney General may investigate this claim and settle it before or after suit is filed if he deems it advisable.

Section 4. Any amount recovered in the action authorized hereby, either by settlement or judgment shall be paid out of the Road Fund in the State Treasury upon warrant drawn by the Commissioner of Finance upon the State Treasurer.

Section 5. In the event suit is filed and judgment entered in the Circuit Court, either party may appeal to the Court of Appeals of Kentucky.

Section 6. No statement in this resolution shall be considered by either the court or jury as an admission of liability upon the part of the Commonwealth or its Department of Highways, and this resolution shall not be introduced in evidence nor commented upon by counsel in argument to the jury.

HR 118, A JOINT RESOLUTION directing the Legislative Research Commission to study the feasibility and desirability of erecting and maintaining a nondenominational chapel in the New Capitol Building.

WHEREAS, the preamble to the Constitution of Kentucky acknowledges the blessings of Almighty God and the heritage of the people of Kentucky has demonstrated a firm basis of abiding religious faith; and

WHEREAS, a nondenominational chapel for the people of the Commonwealth to be established in the Capitol is a fitting recognition of the spiritual and temporal gifts that have been showered upon them; and

WHEREAS, the right of the people to worship in this chapel will be a sincere acknowledgement of God's bountiful endowment to the Commonwealth.

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Legislative Research Commission is hereby directed to study the constitutionality, desirability and feasibiilty of establishing and maintaining a nondenominational chapel that would be available for private and public worship services.

Section 2. The Legislative Research Commission is empowered to establish an advisory committee composed of representatives of the leading religious faiths of the Commonwealth and to consult with this committee as to the cost, construction and design of a nondenominational chapel and to make recommendations concerning rules and regulations for the use of this chapel.

Section 3. The Legislative Research Commission shall report its findings and recommendations to the 1960 General Assembly and the Governor of the Commonwealth.

SB 199, AN ACT relating to Water Districts permitting payment by a district to Farmers Home Administration of the U.S. Government for the purpose of insuring of bonds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any bond form and bond resolution adopted by a Water District pursuant to the terms of KRS 74, KRS 96 or KRS 106 may definitely fix and determine the amount necessary to be set apart and applied to the payment of insurance charges to Farmers Home Administration of the U.S. Government for the purpose of obtaining from such agency an agreement to insure the repayment of the said bonds. The insurance charge shall be paid out of the same fund as is set apart and applied to the payment of the principal and interest of the bonds, if the resolution so provides.

SB 201, AN ACT relating to veterans' affairs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 36.065 of the Kentucky Revised Statutes is repealed and re-enacted to read as follows:

(1) There is created a commission to be known as the Veterans' Affairs Commission, which shall constitute an independent agency of the state government within the meaning of KRS Chapter 12. The commission shall be composed of the Lieutenant Governor, who shall act as chairman, the Adjutant General, and three members appointed by the Governor. The appointed members shall be veterans with service during time of war or hostilities wherein American troops were engaged in conflict with an armed enemy, and shall serve for terms of four years and until their successors are appointed and have qualified, except that the members of the first commission shall be so appointed that the terms of one member will be for two years, another for three years and the other for four years.

(2) The members of the commission shall receive no compensation for their services, but shall be entitled to reimbursement for their actual and necessary expenses incurred in the proper performance of their duties in or out of the Commonwealth.

Section 2. (1) The Veterans' Affairs Commission shall:

(a) Prepare in proper form, present and prosecute the claims of disabled ex-service men and women and their dependents with the United States Veterans' Administration and other federal agencies;

(b) Secure and expedite action on the claims;

(c) Keep in contact with the United States Veterans' Administration so that the status of any claim may be known at any time;

(d) Continue to survey the state to make certain that no disabled veteran or his dependents are neglected; and

(e) Perform such other duties as the commission considers necessary or desirable in the accomplishment of the purposes for which the commission was created.

(2) "Veterans" and "ex-service men and women," as used in this Section, include any individual who served on active duty during peace or war in the Armed Forces of the United States and who has received an honorable discharge from such service.

SB 202, AN ACT relating to the Kentucky Geological Survey.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 151.010 of the Kentucky Revised Statutes is amended to read as follows:

There is hereby established and shall be maintained within the University of Kentucky a bureau of geological research and information to be known and designated as the Kentucky Geological Survey. The Survey shall be under the direction of a person who shall be designated Director of the Survey and who shall be appointed in the same manner as other staff members of the University. The Survey shall have a non-teaching staff to be appointed in the same manner as other staff members of the University. The Director or a member of the non-teaching staff shall be designated State Geologists and all members of the Survey shall be employes of the University of Kentucky within the provisions of KRS 164.220 to 164.230, inclusive.

Section 2. Section 151.040 of the Kentucky Revised Statutes is amended to read as follows:

The Kentucky Geological Survey shall report periodically on its findings to the Governor and General Assembly and such reports shall be available to the public. It shall at all times furnish cooperative services to the Department of Economic Development and such other state agencies as may request its services, and make available to those agencies such information and data as are at the disposal of the Survey. The Survey may issue reports, maps and other publications for sale at a price prescribed by the governing authorities of the University of Kentucky.

SB 203, AN ACT relating to the Kentucky Water Pollution Control Commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 220.600 of the Kentucky Revised Statutes is amended to read as follows:

(1) For the purpose of carrying out the provisions of KRS 220.580 to 220.650, there is hereby created in the Department of Health a Water Pollution Control Commission.

(2) The commission shall consist of the Commissioner of Health, the Commissioner of Conservation, the Attorney General, the Commissioner of the Department of Fish and Wildlife Resources, the Director of Strip Mining and Reclamation, the Chief of the Department of Mines and Minerals, and three citizens of the Commonwealth, to be appointed for terms of four years each by the Governor. Two of said citizen members shall be selected from groups representative of municipalities, and one from groups representative of industrial management. Vacancies shall be filled for the unexpired portion of any term in the same manner as an original appointment. Each of the officers of the Commonwealth hereby made a member of the commission may, by written order filed with the secretary of the commission, designate a deputy or other representative in his department to serve in his stead and to perform his duties as a member of the commission in his absence. Such designation shall be deemed temporary only and shall not affect the merit system or retirement rights of any person so designated.

(3) No salary or other compensation shall be allowed any member of the commission but each member may be reimbursed for actual and necessary expenses incurred in the performance of his official duties.

(4) The commission shall select one of its members as chairman and another member as vice chairman at its first regular meeting in each calendar year. The Commssioner of Health shall be the secretary of the commission, and may employ an executive director and such technical and other personnel as may be required in order to carry out the provisions of KRS 220.580 to 220.650 and the policies of the commission, and may define their powers and duties and fix their compensation. During the interim between meetings, the Commissioner of Health may perform in the name of the commission such functions and duties and may exercise such authority of the commission as the commission may delegate to him, or he may delegate such functions, duties and authority to the executive director.

(5) Technical, scientific, legal or other services required by the commission shall be furnished insofar as practicable, by the Department of Health, the Department of Conservation, the Director of Strip Mining and Reclamation, the Attorney General, the Department of Fish and Wildlife Resources, the Department of Mines and Minerals and other state departments, without additional compensation. The commission may request and receive the assistance of any state or municipal educational institution, experiment station, laboratory or other agency when it is deemed necessary or beneficial by the commission to carry out the provisions of KRS 220.580 to 220.650. The Department of Fish and Wildlife Resources is authorized, out of its receipts, to make contributions to the commission for its program.

(6) The commission shall hold regular meetings at least once in every two months, the time and place of which shall be determined by the commission. Special meetings may be called by the chairman or by three members of the commission by delivery to the office of each member of the commission of a written notice thereof at least five days in advance of the date of any such meeting. Five members of the commission shall constitute a quorum at any meeting. The commission shall establish bylaws for the conduct of its meeting and shall keep an accurate record of all its proceedings.

SB 209, AN ACT changing the classification of the City of West Point, in Hardin County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of West Point, in Hardin County, is such as to justify its being classified as a city of the fifth class.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of West Point, in Hardin County, is transferred from the sixth to the fifth class of cities.

SB 212, AN ACT relating to water conservancy.

Whereas, the rapid increase in consumptous use of water coupled with drought cycles and ever supply, make apparent the need for establishment of a sound policy relating to the proper use and management of the surface water resources of the Commonwealth;

Whereas, the changing wants and constantly increasing needs of the people as well as new problems, methods, and remedial programs require continuous study if the water resources of the Commonwealth are to be put to beneficial uses to the extent of which they are most reasonably capable and therefore the waste and unreasonable use of water prevented; and

Whereas, a careful and comprehensive study should be made before enacting further remedial legislation;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. There shall be created within the Division of Flood Control and Water Usage of the Department of Conservation a water resources study commission whose function it will be to make continuous study of data from other existing state agencies and such other sources as may be available, pertaining to the findings of fact and policy of the Legislature as expressed in KRS 262.670; and to formulate a comprehensive law, and amendments thereof from time to time, to attain the maximum beneficial use of the water resources of the Commonwealth.

Section 2. The water resources study commission shall be composed of the Director of the Division of Flood Control and Water Usage, who shall be ex-officio chairman of the Commission, and four other members representing the subject interests of industry, agriculture, municipalities and recreation to be appointed by the Governor. Appointive members shall serve at the pleasure of the Governor without compensation but shall be reimbursed for reasonable and necessary expenses incurred in the performance of their duties.

SB 213, AN ACT relating to watershed conservancy districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

If it appears that contiguous territory within an established district would be better served by the organization of a separate district, a petition for withdrawal and formation of a new district may be filed with the board of supervisors by twenty-five or more landowners, or a majority if less than fifty landowners are involved. The petition shall define the boundary involved, state that all obligations to the district have been met, and contain such other information as is necessary for a determination of the feasibility or non-feasibility of such withdrawal and reorganization. Filing of petition and further proceedings shall be governed by KRS 262.715 to 262.735, as far as practicable.

SB 220, AN ACT relating to holidays.

WHEREAS, the many Grandfathers Clubs of the Commonwealth of Kentucky, affiliated with the National Federation of Grandfathers Clubs of America, have, in conjunction with the parent organization, the most laudable purposes and objectives as reasons for their chartering and continued existence, among them being encouragement of good citizenship, furtherance of social and educational programs and dedication to scientific research directed toward the elimination of children's diseases;

WHEREAS, Grandfathers as individuals, hold a very special and inviolate place in the hierarchy of families and are the object of universal love, respect and admiration;

NOW, THEREFORE,
Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Governor is authorized and requested to issue annually a proclamation calling upon the state officials to display the United States flag on all state and school buildings and the people of the state to display the flag at their homes, lodges, churches, places of business and other suitable places on the second Sunday in December, known as Grandfather's Day as a public expression of the love, esteem and reverence in which grandfathers are held by the citizens of the Commonwealth.

SB 222, AN ACT relating to the gift or bequest of dead bodies or parts thereof.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any person in the Commonwealth of the age of twenty-one years or more and of sound mind may, by will or by a written instrument executed in the presence of at least two attesting witnesses, give, grant or bequest his body to any professor or medical school or college authorized by KRS 311.300 to KRS 311.350 to procure or receive dead bodies for educational or scientific purposes, or may give, grant or bequeath any part of his body to any responsible person or group of persons, natural or corporate, whom the State Board of

Health finds is equipped to properly receive and preserve the same for educational or scientific study or to transplant into the body or bodies of living persons. Any such disposition of his body or part thereof may be revoked by the testator of grantor at any time prior to his death by the execution of a written instrument in the same manner as the original legacy or grant.

Section 2. Any person or persons having the right to a body for burial may likewise consent to such use of the body or part thereof as set forth in Section 1.

Section 3. For the purpose of this Act, the persons having the right to dispose of a body are as follows:

(1) The surviving spouse, if any, and if none,

(2) The person or persons who are entitled to the real property of the deceased under KRS 391.010, and if none,

(3) The person, agency, institution, or organization having the obligation to bury such body.

Section 4. The State Board of Health shall, by regulation, fix reasonable standards with respect to qualifications, equipment, facilities and experience to be required of persons desiring to qualify to receive parts of human bodies, as hereinabove provided. The board may, if it deems it desirable, include in such regulation a requirement that authorized recipients of parts of human bodies post a bond conditioned upon compliance with all the terms and conditions of said regulation.

SB 227, AN ACT repealing KRS 57.330 which requires distribution of copies of the Acts of Congress to enumerated public officials.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 57.330 of the Kentucky Revised Statutes, relating to distribution of copies of the Acts of Congress, is hereby repealed.

SB 229, AN ACT relating to the compensation of justices of the peace and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In enacting legislation relating to justices of the peace, it is the intention of the General Assembly to enable justices of the peace in counties having a population of less than 250,000 to exercise criminal jurisdiction as set out in KRS 25.010, and to provide for compensation for their performance of the new duties thereby imposed upon them.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) In counties having a population of less than 250,000 each justice of the peace shall be exclusively compensated for the performance of the duties of his office, in so far as they relate to the trial or decision of criminal cases, by a salary not to exceed $1,200.00 per annum for counties having a population of 30,000 or less; $2,400.00 per annum for counties having a population in excess of 30,000 and not exceeding 60,000; $3,600.00 per annum for counties having a population in excess of 60,000 and not exceeding 250,000. The fiscal court of each county is authorized to fix salaries pursuant to the above restrictions. Notwithstanding provisions of KRS 64.530, salaries for incumbent justices of the peace shall be set as soon as may be practical after passage of the Act. Salaries shall be paid, in equal monthly installments, out of the county treasury.

(2) All moneys received or collected in criminal cases on account of or resulting from the performance of the duties or the exercise of the powers incident to the office of justice of the peace, shall be reported and paid in full to the circuit clerk of the county, on or before the tenth of each succeeding month, for proper distribution to the county and state.

Section 3. WHEREAS, justices of the peace in counties not containing a population of more than 250,000 do not now exercise any criminal jurisdiction, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

SB 233, AN ACT pertaining to county courts and juvenile sessions thereof.

WHEREAS, certain words and terms appearing in Chapter 208 of the Kentucky Revised Statutes need defining; and

WHEREAS, the jurisdiction of county courts and the juvenile division thereof need clarification; and

WHEREAS, certain omissions and insertions in the existing law relative to the powers of county courts in juvenile session and of other courts over children, penalties and contribution of parents to support children need to be made in Sections 208.010, 208.020, 208.110, 208.170, 208.200, 208.230, 208.280, 208.320, 208.400, and 208.990 of the Kentucky Revised Statutes:

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 208.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 208.010 to 208.590 and 208.990, unless the context otherwise requires:

(1) "Department" means the Department of Welfare.

(2) "Child" means any person who has not reached his eighteenth birthday.

(3) "Court" means the juvenile session of the county court.

(4) "Child Welfare Worker" shall mean any employee of the Department of Economic Security designated as such by the Commissioner of the Department of Economic Security or social worker employed by a county or city who has been approved by the Department of Economic Security to handle, under its supervision, services to children.

(5) "Dependent child" has the same meaning as in KRS 199.011.

(6) "Abandoned child" has the same meaning as in KRS 199.011.

(7) "Needy child" as used in this chapter means one in want and deprived of the necessities for living; the education required by law; or the supervisory medical, psychiatric, psychological, or other care necessary for his well being.

Section 2. Section 208.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The court of each county shall have exclusive jurisdiction in proceedings concerning any child living or found within the county who:

(a) Has committed a public offense;

(b) Who is unmanageable or ungovernable and beyond the control of his parents or other guardian; or

(c) Whose acts of commission or omission, behavior, occupation, environment or associations are such as to injure its welfare or that of others and to require, for its good and possible reformation, that it be taken into custody and surrounded by proper moral training and influences to make it, if possible, a good and reputable citizen.

(2) Needy, dependent or neglected children and any child who has been found to fall within the purview of subsection (1) (b) or (1) (c) of this section shall be dealt with by the county court or the juvenile court as provided by KRS 200.110.

(3) The juvenile sessions of the county courts of each county shall have jurisdiction concurrent with quarterly, police and magistrate's courts of:

(a) Any person knowingly encouraging, aiding, causing, or in any manner contributing to the conditions which cause or tend to cause a child to become delinquent, neglected, dependent or charged with a crime.

(b) Any person having custody of a child willfully failing to do any act that will directly tend to prevent such child becoming delinquent, neglected, dependent or charged with a crime.

(4) Nothing in KRS 208.010 to 208.590 shall deprive other courts of the right to determine the custody of children upon writs of habeas corpus, or to determine the custody or guardianship of children when such custody or guardianship is incidental to the determination of other

causes pending in such other courts; nor shall anything in KRS 208.010 to 208.590 affect the jurisdiction of circuit courts over adoptions and over proceedings for termination of parental rights.

Section 3. Section 208.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) The law relating to the persons by whom and the circumstances under which a person may be arrested for a public offense shall be applicable to children, but the taking of child into custody under such law shall not be termed an arrest, and a child after having been taken into custody shall be dealt with as provided in KRS 208.010 to 208.590. The law relating to bail shall not be applicable to children detained in accordance with KRS 208.010 to 208.590.

(2) When a peace officer has taken or received a child into custody on a charge of committing a public offense, the officer shall notify the parent, guardian or custodian of the child as soon as possible. Unless the nature of the offense or other circumstances are such as to indicate the necessity of keeping the child in secure custody, or unless other directions have been given by the court, the officer shall release the child to the custody of his parent or other responsible adult upon the written promise, signed by such person, to bring the child to the court at a stated time or at such time as the court may direct. The written promise, accompanied by a written report by the officer, shall be submitted to the court forthwith. If the person fails to produce the child as agreed or upon notice from the court, a warrant may be issued for the apprehension of the person or of the child, or both.

(3) If the child is not released as provided in subsection (2) of this Section, the child shall be taken without delay to the court or to the detention facility. The officer shall as soon as possible thereafter make a written report to the court, stating the fact of such detention, the offense charged, and the reason why the child was not released to the parent. Pending further disposition of the case, the court may release the child to the custody of the parent or other responsible person or may continue to hold the child in detention, subject to further order, but no child shall be held in detention longer than four days, excluding Sundays and holidays, except pursuant to a written order signed by the judge.

(4) Unless the child has been released to the custody of his parent, guardian or custodian in accordance with subsection (2) or (3) of this Section, the parent, guardian or custodian shall be notified as provided in KRS 208.080 and 208.090, of the time and place set for holding a hearing concerning the child.

Section 4. Section 208.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) If, during the course of any proceeding in the juvenile court, it appears that a child before the court has committed a felony, and at the time of the commission of the offense the child was sixteen years

of age or older, or was less than sixteen years of age but the offense was one carrying a maximum penalty of twenty-one years or more, including death, and the court is of the opinion that the best interests of the child and of the public require that the child be tried and disposed of under the regular law governing crimes, the court in its discretion may make an order transferring the case to the circuit court of the county in which the offense was committed. No child shall be considered a felon for any purpose until transferred to, tried and convicted of a felony by the circuit court.

(2) When the juvenile court so transfers a case to the circuit court:

(a) If a grand jury considers the case and is satisfied there is sufficient evidence to indict the child, it may either return an indictment or may return a written report to the circuit court recommending that the child be committed to the department. If the court believes that such commitment would be proper, it may order the child committed to the department.

(b) If, during any stage of the trial in the circuit court, the child or his parent or guardian so requests, the judge in his discretion may stop the trial and commit the child to the department.

(c) If neither of the procedures specified in paragraphs (a) and (b) of the subsection are employed, the child shall be tried as any other defendant.

(d) While under the jurisdiction of the circuit court, the child shall be subject to bail the same as an adult.

(e) Any commitment to the department under paragraph (a) or (b) or this subsection shall be for an indeterminate period not to exceed the age of twenty-one.

Section 5. Section 208.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) If in its decree the juvenile court finds that the child comes within the purview of KRS 206.020 (1), the court may, by order:

(a) Place the child on probation or under supervision in his own home or a suitable family home or boarding home, upon such conditions as the court shall determine. Probation shall not be ordered or administered as punishment, but as a measure for the protection, guidance and well-being of the child and his family. A child so placed on probation shall be subject to the visitation and supervision of a probation officer or a child welfare worker. Probation methods shall be directed to the discovery and correction of the basic causes of maladjustment and to the development of the child's personality and character, with the aid of the social resources of the community. A child so placed on probation shall remain subject to the jurisdiction of the juvenile court until he becomes twenty-one years of age, unless he is discharged prior thereto by the court.

(b) Commit the child to the custody or guardianship of a private or public institution or agency authorized to care for such children, or under the guardianship of a suitable person. Such commitment shall be until the age of twenty-one subject to the power of the court to discharge the child prior thereto or of the governing authorities of said agency or institution to do so. In committing a child to a private institution or agency the court shall select one that is approved by the Department of Economic Security and children committed to such an institution or agency shall be subject to the visitation and supervision of a probation officer or a child welfare worker.

(c) Commit the child to the department. Such commitment shall be for an indeterminate period not to exceed the age of twenty-one.

(2) If in its decree, the juvenile court finds that the child comes within the purview of KRS 208.020(1), the court may dispose of the child as provided in subsection (1) (a), (1) (b) or (1) (c) of this section, except that if a child comes within the purview of KRS 208.020 (1) (b) or KRS 208.020 (1) (c), the court may not commit the child to the Department of Economic Security unless the Department of Economic Security has indicated to the court that it has facilities and funds available to care for the child and is willing to accept the commitment.

(3) In the event a child commits a new offense, the juvenile court shall have exclusive, original jurisdiction for the new offense and may modify all previous orders. Nothing in this section shall limit the jurisdiction of any other court in assuming jurisdiction of wards of the state between the ages of eighteen and twenty-one years of age who have committed another public offense after attaining the age of eighteen.

(4) If a child is disposed of as provided in paragraph (a) or (b) of subsection (1) of this section, the court may modify or set aside its order at any time, and direct that the child be otherwise disposed of in accordance with KRS 208.010 to 208.590.

(5) No adjudication by a juvenile court of the status of any child shall be deemed a conviction, nor shall such adjudication operate to impose any of the civil disabilities ordinarily resulting from a criminal conviction, nor shall any child be found guilty or be deemed a criminal by reason of such adjudication.

Section 6. Section 208.230 of the Kentucky Revised Statutes is amended to read as follows:

In support of any order or decree, the juvenile court may require the parents or other person having custody of a child, or any other person who has been found by the court to be causing, encouraging or contributing to the acts or conditions which bring the child within the provisions of KRS 208.020 to do any act required by law or to desist from doing any acts forbidden by law, when the court deems such requirement necessary for the welfare of the child. In cases of failure to comply with such requirement, the court may proceed against such persons as in cases of civil contempt.

Section 7. Section 208.280 of the Kentucky Revised Statutes is amended to read as follows:

If it appears that the parent of any child who has been found to fall within the purview of this chapter and who has been left in his own home or in the home of a relative, placed on probation or placed in a foster home or boarding home or in the care of a public or private institution or agency, or the department, is able to contribute to the support of the child, the court shall enter an order requiring the parent to pay a reasonable sum from time to time for the support, maintenance or education of the child. The order shall direct that the money be paid to the county clerk to be disbursed as ordered by the court or be paid to the person, institution, department or agency to which the child was committed or probated. On such application and on such notice as the court may direct, the court may make alterations in the requirement for contribution. The court may require the parents to give security for payment of the sums due, and shall have the powers of a court of equity in enforcing its orders. The enforcement of a sentence imposed on any parent who fails to comply with such an order of the court may be suspended at the discretion of the court, but the suspension may be revoked at the discretion of the court, upon the failure of the parent to obey further orders of the court.

Section 8. Section 208.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) In counties containing a city of the first or second class, the county judge may appoint a chief probation officer of the juvenile court and such number of assistant probation officers, professional and clerical personnel as may be authorized by the fiscal court. Such officers shall receive reasonable salaries to be fixed by the fiscal court, and shall be allowed their actual and necessary expenses incurred in the performance of their duties. The salaries and expenses shall be paid out of the county treasury. The officers shall serve at the pleasure of the county judge. The officers shall be peace officers with all the powers of the sheriff in making arrests and carrying out the purposes of this Act. A probation officer or any peace officer may take into custody any child that he has reasonable grounds to believe is in violation or conditions of his or her probation, and detain such child for appropriate action by the court.

(2) In any county, the county judge may appoint or designate one or more discreet persons of good moral character to serve as volunteer probation officers of the juvenile court. Such officers shall serve during the pleasure of the judge and without compensation, except that the fiscal court may authorize the payment of compensation out of the county treasury to any such officers. Representatives of the Department of Economic Security or the Department of Welfare may be appointed or designated as such volunteer probation officers, but without compensation from county funds.

(3) If the Department of Economic Security deems it necessary, it may appoint a child welfare worker to cooperate with the court.

Section 10. Section 208.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates KRS 208.120 shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned in the county jail for not more than thirty days, or both.

(2) Any person who transports or causes or permits a female child to be transported in violation of subsection (1) of KRS 208.260 shall be fined not less than one hundred dollars nor more than five hundred dollars.

(3) Any person who violates subsection (2) of KRS 208.260 shall be fined not more than one hundred dollars.

(4) Any person who knowingly encourages, aids, causes or in any manner contributes to the conditions which cause or tend to cause the child to become delinquent, neglected, dependent or charged with a crime, or any person having custody of a child who willingly fails to do any act which will directly tend to prevent such child's becoming delinquent, neglected, dependent or charged with a crime:

(a) Shall be fined not more than five hundred dollars or imprisoned in the county jail or workhouse not more than twelve months, or both;

(b) Instead of the penalty imposed by paragraph (a) of this subsection, the court may suspend the sentence or release the defendant on probation for one year upon his recognizance, with or without sureties. The defendant may be ordered during the effective period of his probation to make his personal appearance in court, and shall provide and care for the child as directed by the court, and shall further comply with the orders of the court. If the court is satisfied on information or proof under oath that the defendant has violated the terms of the order, it may revoke the order and sentence him under the original order of conviction. Unless so sentenced, the defendant shall be discharged at the end of the year, and the conviction shall become void.

Section 11.

WHEREAS, inadequacies exist in the present revised statutes in the matter of jurisdiction of county courts and the juvenile division thereof, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

SB 235, AN ACT relating to the licensing, recording of liens and registration of motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) Before the owner of a motor vehicle, other than a motor vehicle engaged in the transportation of passengers for hire operating under a certificate of convenience and necessity, may operate it or permit its operation upon a highway, the owner shall apply for registration in accordance with regulations issued by the department, except that a person who purchases a motor vehicle, or brings a motor vehicle into the Commonwealth from another state shall make application for registration within five days. The bill of sale must be in the motor vehicle during this five day period. If the owner of a motor vehicle is an individual and resides in the Commonwealth, the motor vehicle shall be registered with the county clerk of the county in which he resides. If the owner of a motor vehicle does not reside in the Commonwealth, the motor vehicle shall be registered with the county clerk of the county in which the motor vehicle is principally operated. If the owner of a motor vehicle is other than an individual and resides in the Commonwealth, the motor vehicle shall be registered with the county clerk of either such county. The application when presented to the county clerk for registration shall be accompanied by:

(a) A bill of sale and a manufacturer's certificate of origin if the application is for the registration of a new motor vehicle; or

(b) The owner's registration receipt, if the motor vehicle was last registered in this state; or

(c) A bill of sale and the previous registration receipt, if last registered in another state where the law of such state does not require the owner of a motor vehicle to obtain a certificate of title or ownership; or

(d) A certificate of title, if last registered in another state where the law of such state requires the owner of a motor vehicle to obtain a certificate of title or ownership.

(2) After that, the owner shall register his motor vehicle on or before March 1 of each year. If, before operating such motor vehicle in this state, the owner registers it at some later date and pays the fee for the full year, he will be deemed to have complied with the law. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the department.

(3) The application and documents presented therewith shall be retained on file in the office of the clerk for a period of not less than seven years.

Section 2. Section 186.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) The application form shall contain spaces for the names and post office addresses of the owner and of the lien holder as shown by chattel mortgage, or other instrument construed as such in this state, on file in the office of the county clerk in the county in which the motor vehicle is registered, and such other information as the department may require. If the motor vehicle is a truck designed for the

transportation of property, the application form shall contain space for the declared gross weight in pounds. The declared gross weight shall be the weight of the vehicle and the heaviest load that the vehicle will be used to carry at any time on the highways.

(2) The application, when completed, shall be presented to the county clerk and accompanied by the appropriate fee.

Section 3. Section 186.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon receiving the application and fee, the county clerk shall issue to the owner a registration receipt containing the information required by subsection (2) and a registration plate. If the department finds that there is a shortage of materials suitable for making plates, or that a substantial saving will result, it may require by regulation with the approval of the Governor that previously issued plates continue to be used for a designated period. For services performed, the owner shall pay the county clerk the sum of fifty cents for each registration in addition to the registration fee.

(2) The registration receipt shall contain the registration number, the names and post office addresses of the owner and of the lien holder as shown by chattel mortgage, or other instrument construed as such in this state, on file in the office of the county clerk and such other information as the department may require. The county clerk shall be paid a fee of sixty cents for recording each lien on the registration receipt in addition to statutory recording fees for recording the chattel mortgage, or other instrument construed as such in this state.

(3) If a motor vehicle, other than a new motor vehicle, is registered in this state under the authority of a bill of sale, registration receipt or title, the registration receipt shall show the title or the registration number and the name of the state issuing same under which the motor vehicle was last registered in addition to the other required information.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Whenever the owner of a motor vehicle, properly registered in this state, executes a lien thereon, he shall deliver the registration receipt to the lienor. The lienor shall, within ten days thereafter, present such receipt, together with the lien instrument and proper fees, to the county clerk of the county in which the motor vehicle is registered for recording in accordance with KRS 382.670 and KRS 186.040.

(2) The county clerk shall, within five days, mail the registration receipt with the lien recorded thereon to the owner, and shall also record the lien on the copy of the registration receipt on file in the county clerk's office.

(3) (a) When a chattel mortgage, or other instrument construed as such in this state, is assigned or discharged pursuant to the law, the owner shall present the registration receipt to the lienholder who shall

record thereon in language prescribed by the department that the lien has been assigned or discharged. The recording shall show the date thereof and shall be signed by the lienholder or his authorized agent and acknowledged before an officer authorized to administer an oath.

(b) When a discharge or assignment has been recorded on the owner's registration receipt as provided in (3) (a), the owner may present the registration receipt to the county clerk who shall record the information on the copy of the receipt which contains the lien information on file in the county clerk's office, for which services the owner shall pay the clerk a fee of twenty-five cents.

(4) For failure to present the registration receipt and record the lien instrument within the time prescribed, the lienor shall pay a penalty of two dollars to the county clerk as a prerequisite for recording the lien information on the registration receipt. The penalty, less the county clerk's commission of five percent, shall be remitted to the department.

(5) No lien executed prior to January 1, 1960, shall be recorded on the registration receipt issued by the county clerk.

Section 5. Section 186.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in Section 4 of this Act, the owner shall have the receipt issued by the department through the county clerk constantly in his possession, and shall display the registration plate conspicuously upon the rear of the motor vehicle. Plates shall be kept legible at all times and the rear plate shall be illuminated when being operated during the hours designated in KRS 189.030. If the department has prescribed that plates shall continue in use, it shall each year, in addition to the registration receipt, select and give to the owner as further evidence of registration some insignia which may conveniently be attached permanently and conspicuously to the motor vehicle during each registration year. It shall be the duty of the owner to attach same in the prescribed manner and no person may operate a motor vehicle unless such insignia is so affixed upon it. The department shall have placed on said insignia either figures, letters, writing, marks, or a combination thereof, which indicate that the motor vehicle has been registered and which in conjunction with the records of the department make identity of the registrant readily ascertainable.

(2) The registration year shall be from January 1 to December 31; however, registration plates for the succeeding year may be displayed beginning December 29.

Section 6. Section 186.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever a motor vehicle that has been previously registered changes ownership, the registration plate shall remain upon such motor vehicle as a part of it until the expiration of the registration year.

(2) No person shall sell or trade any motor vehicle without de-

livering to the county clerk of the county in which the sale or trade is made, the registration receipt issued on the motor vehicle for the current year and the bill of sale.

(3) Upon delivery of the registration receipt and the bill of sale to the county clerk of the county in which the sale or trade was made, the seller shall pay to the county clerk a transfer fee of one dollar, which shall be remitted to the department. The county clerk shall thereupon issue to the purchaser a transfer of registration bearing the same data and information as contained on the original registration receipt, except the change in name and address. The seller shall pay to the county clerk a fee of one dollar for his services.

(4) If the owner junks or otherwise renders a motor vehicle unfit for future use, he shall deliver the registration plate and registration receipt to the county clerk of the county in which the motor vehicle is junked. The county clerk shall immediately return the plate and receipt to the department. The owner shall pay to the county clerk fifty cents for his services.

(5) A licensed motor vehicle dealer shall not be required to pay the transfer fee provided by this section, but shall be required to pay the county clerk's fee provided by this section.

Section 7. Section 186.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) The bill of sale provided for by KRS 186.190 shall contain the date, the purchaser's name and post office address, seller's name and post office address, the occupation of each, and the information provided for in KRS 186.030 and shall be subscribed and sworn to before any officer authorized to administer an oath.

(2) No person for himself or his employe or agent or as an officer of any court, shall sell, trade, transfer or deliver any motor vehicle without at the same time making a bill of sale in triplicate and delivering two copies thereof to the county clerk. The county clerk shall retain one copy of the bill of sale and shall deliver one copy to the purchaser, together with the registration receipt or transfer of registration.

Section 8. Section 186.210 of the Kentucky Revised Statutes is amended to read as follows:

No person shall make any false statement in an application for registration, application for duplicate receipt or plate, bill of sale, registration receipt, motor number or vehicle identification number. The penalty provided for violation of this section by KRS 186.990 shall be printed prominently on every form or blank used for these purposes and furnished by the department. No person shall use, display or keep registration plates or registration receipts that do not belong, or have not been issued to him.

Section 9. Section 189.260 of the Kentucky Revised Statutes is amended to read as follows:

Every motor vehicle licensed under KRS 186.050 (3) and 186.055 shall, in addition to displaying all plates issued by the county clerk, have prominently painted on each side in letters and numerals not less than three inches in height in a color of sharp contrast to the color of their background, the gross maximum weight for which such motor vehicle was registered. Except as provided in Section 4 of this Act, the registration receipt shall be kept in the truck at all times and shall be available for inspection.

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

No motor vehicle, not next previously registered in this state, other than a new motor vehicle sold by a dealer licensed in this state, shall be registered by the county clerk unless such vehicle shall have been inspected by a peace officer of this state. Such officer inspecting the vehicle shall make a record of inspection upon the inspection form prescribed by the department. No fee for such inspection shall be charged the applicant for registration.

Section 11. A new section of Chapter 382 of the Kentucky Revised Statutes is created to read as follows:

No instrument conveying or reserving a security interest in a motor vehicle shall be recorded until such vehicle has been properly registered. The county clerk shall record such instrument as directed in this chapter and in KRS Chapter 186.

Section 12. There is hereby appropriated to the Department of Revenue from the Road Fund for the purposes of administration of this Act the sum of $50,000.00 for the fiscal year 1959-1960.

Section 13. This Act shall become effective on January 1, 1960, except the appropriation in Section 12 shall become available July 1, 1959, to facilitate preparation of forms and procedures necessary for the administration of this Act.

SB 236, AN ACT relating to veterinarians.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 321.350 of the Kentucky Revised Statutes is amended to read as follows:

The board may suspend or revoke a certificate of license or license for any of the causes for which it may refuse to grant a license under the provisions of this Chapter, and for the following causes:

(1) For dishonesty in applying a tuberculin test on cattle or making a false record of such test.

(2) For dishonesty in applying a brucellosis (Bang's disease) test or making a false record of such test.

(3) For the procuring of a license by fraudulent means.

(4) For false advertising of medical practice intended, or having a tendency, to deceive and defraud the public.

(5) For the conviction of any felony or crime involving moral turpitude.

(6) Any gross negligence, incompetence or misconduct in the practice of veterinary medicine in this Commonwealth.

(7) Failure in the practice of their profession to conform to the principles of veterinary ethics as prescribed by the American Veterinary Medical Association.

SB 237, AN ACT relating to employes' retirement.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Any member of the system who, prior to the date he first participated in the system, was transferred into the service of the United States Government under Presidential Executive Order 8990 dated December 23, 1941, as a part of the mobilization of manpower during the emergency of World War II, and who continued his service with the United States until his return to the employ of the State under the provisions of Public Law 549, 79th Congress, or who prior thereto returned to State service without intervening employment, shall be credited with service in the system on the same basis as if he had remained in the employ of the State. Any member who, while in the above employment status, was inducted into the Armed Forces of the United States shall receive credit for service in the same manner as provided in subsection (2) of KRS 61.555.

SB 242, AN ACT relating to poliomyelitis.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) No child shall be eligible to enroll as a student in any public or private school without furnishing a certificate from a reputable physician that he or she has been successfully innoculated with poliomyelitis vaccine.

(2) The Department of Health shall supply to each county health department a supply of poliomyelitis vaccine sufficient to innoculate each pre-school age child whose parents or legal custodian is financially unable to pay for having the child innoculated.

SB 243, AN ACT relating to the Court of Appeals.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 21.080 of the Kentucky Revised Statutes is amended to read as follows:

Where the amount in controversy is as much as two hundred dollars, exclusive of interest and costs, and less than twenty-five hundred dollars, application for appeal may be made to the Court of Appeals. The court shall promulgate rules governing the form of the application and the procedure to be followed after the application has been filed, which rules shall be designed to afford more simplified procedure for determination of appeals in cases of this class. The tax on appeals shall be paid only in cases in which an appeal is allowed.

SB 244, AN ACT relating to the acquisition, construction, maintenance, extension, and improvement of public projects; defining the scope of public projects.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 58.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 58.010 to 58.140, unless the context requires otherwise:

(1) "Public Project" means any lands, buildings, or structures, works or facilities suitable for and intended for use as public property for public purposes or suitable for and intended for use in the promotion of the public health, public welfare or the conservation of natural resources, including the planning of any such lands, buildings, structures, works or facilities, and shall also include existing lands, buildings, structures, works and facilities, as well as improvements or additions to any such lands, buildings, structures, works or facilities.

(2) "Public Project" as defined herein shall include projects intended for use as public property for public purposes by another governmental agency, including the United States Government, other than the governmental agency acquiring the land or constructing the building, structure or facility.

(3) "Governmental Agency" means the Commonwealth of Kentucky as such acting by or through any department, instrumentality or agency thereof, or any county, city, agency or instrumentality or other political subdivision of the Commonwealth, or agency, or instrumentality thereof.

SB 248, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

When any teacher in the common school system transfers from one district to another, all service credits shall be transferred. Any school board which allows service credit increments shall allow such increments when earned in another district in the same manner and on the same scale as if earned in its own district.

SB 255, AN ACT relating to gifts of securities and money to minors and making uniform the law with reference thereto.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Adult" is a person who has attained the age of twenty-one years;

(2) "Bank" includes every corporation authorized by law to do a banking business; (KRS 287.010 (a));

(3) "Broker" is a person lawfully engaged in the business of effecting transactions in securities for the account of others. The term includes a bank which effects such transactions. The term also includes a person lawfully engaged in buying and selling securities for his own account, through a broker or otherwise, as a part of a regular business;

(4) "Court" means the chancery division of the circuit court;

(5) "The custodial property" includes:

(a) all securities and money under the supervision of the same custodian for the same minor as a consequence of a gift or gifts made to the minor in a manner prescribed in this Act;

(b) the income from the custodial property; and

(c) the proceeds, immediate and remote, from the sale, exchange, conversion, investment, reinvestment or other disposition of such securities, money and income;

(6) "Custodian" is a person so designated in a manner prescribed in this Act;

(7) "Guardian" of a minor includes the general guardian, guardian, tutor or curator of his property, estate or person;

(8) "Issuer" is a person who places or authorizes the placing of his name on a security, other than as a transfer agent, to evidence that it represents a share, participation or other interest in his property or in an enterprise or to evidence his duty or undertaking to perform an obligation evidenced by the security, or who becomes responsible for or in place of any such person;

(9) "Legal representative" of a person is his executor or the administrator, general guardian, guardian, committee, conservator, tutor or curator of his property or estate;

(10) "Member" of a "minor's family" means any of the minor's parents, grandparents, brothers, sisters, uncles and aunts, whether of the whole blood or the half blood, or by or through legal adoption;

(11) "Minor" is a person who has not attained the age of twenty-one years;

(12) "Security" includes any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in an oil, gas or mining title or lease or in payments out of pro-

duction under such a title or lease, collateral trust certificate, transferable share, voting trust certificate or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation in, any temporary or interim certificate, receipt or certificate of deposit for, or any warrant or right to subscribe to or purchase, any of the foregoing. The term does not include a security of which the donor is the issuer. A security is in "registered form" when it specifies a person entitled to it or to the rights it evidences and its transfer may be registered upon books maintained for that purpose by or on behalf of the issuer;

(13) "Transfer agent" is a person who acts as authenticating trustee, transfer agent, registrar or other agent for an issuer in the registration of transfers of its securities or in the issue of new securities or in the cancellation of surrendered securities; and

(14) "Trust company" includes every corporation authorized to do a trust business.

Section 2. (1) An adult person may, during his lifetime, make a gift of a security or money to a person who is a minor on the date of the gift:

(a) if the subject of the gift is a security in registered form, by registering it in the name of the donor, another adult person, an adult member of the minor's family, a guardian of the minor, or a trust company, followed, in substance, by the words: "as custodian for ------ (name of minor)------ under the Uniform Gifts to Minors Act";

(b) if the subject of the gift is a security not in registered form by delivering it to an adult person other than the donor, an adult member, other than the donor, of the minor's family, a guardian of the minor, or a trust company, accompanied by a statement of gift in the following form, in substance, signed by the donor and the person designated as custodian:

"GIFT UNDER THE UNIFORM GIFTS TO MINORS ACT

I, ----(name of donor)----, hereby deliver to ----(name of custodian)----, as custodian for ----(name of minor)---- under the Uniform Gifts to Minors Act, the following security (ies): (insert an appropriate description of the security or securities delivered sufficient to identify it or them)

----(signature of donor)----

----(name of custodian)---- hereby acknowledges receipt of the above described security (ies) as custodian for the above minor under the Uniform Gifts to Minors Act. Dated:--------

----(signature of custodian)----";

(c) if the subject of the gift is money, by paying or delivering it to a broker or a bank for credit to an account in the name of the donor, another adult person, an adult member of the minor's family, a guardian of the minor, or a bank with trust powers, followed, in substance, by the words: "as custodian for ---(name of minor)--- under the Uniform Gifts to Minors Act";

(2) Any gift made in a manner prescribed in subsection (1) may be made to only one minor and only one person may be the custodian;

(3) A donor who makes a gift to a minor in a manner prescribed in subsection (1) shall promptly do all things within his power to put the subject of the gift in the possession and control of the custodian, but neither the donor's failure to comply with this subsection, nor his designation of an ineligible person as custodian, nor renunciation by the person designated as custodian affects the consummation of the gift.

Section 3. (1) A gift made in a manner prescribed in this Act is irrevocable and conveys to the minor indefeasibly vested legal title to the security or money given, but no guardian of the minor has any right, power, duty or authority with respect to the custodial property except as provided in this Act;

(2) By making a gift in a manner prescribed in this Act, the donor incorporates in his gift all the provisions of this Act and grants to the custodian, and to any issuer, transfer agent, bank, broker or third person dealing with a person designated as custodian, the respective powers, rights and immunities provided in this Act.

Section 4. (1) The custodian shall collect, hold, manage, invest and reinvest the custodial property.

(2) The custodian shall pay over to the minor for expenditure by him, or expend for the minor's benefit, so much of or all the custodial property as the custodian deems advisable for the support, maintenance, education and benefit of the minor in the manner, at the time or times, and to the extent that the custodian in his discretion deems suitable and proper, with or without court order, with or without regard to the duty of himself or of any other person to support the minor or his ability to do so, and with or without regard to any other income or property of the minor which may be applicable or available for any such purpose.

(3) The court, on the petition of a parent or guardian of the minor or of the minor, if he has attained the age of fourteen years, may order the custodian to pay over to the minor for expenditure by him or to expend so much of or all the custodial property as is necessary for the minor's support, maintenance or education.

(4) To the extent that the custodial property is not so expended, the custodian shall deliver or pay it over to the minor on his attaining the age of twenty-one or, if the minor dies before attaining the age of twenty-one years, he shall thereupon deliver or pay it over to the estate of the minor.

(5) The custodian, notwithstanding statutes restricting investments by fiduciaries, shall invest and reinvest the custodial property as would a prudent man of discretion and intelligence who is seeking a reasonable income and the preservation of his capital, except that he

may, in his discretion and without liability to the minor or his estate, retain a security given to the minor in a manner prescribed in this Act.

(6) The custodian may sell, exchange, convert or otherwise dispose of custodial property in the manner, at the time or times, for the price or prices and upon the terms he deems advisable. He may vote in person or by general or limited proxy a security which is custodial property. He may consent, directly or through a committee or other agent, to the reorganization, consolidation, merger, dissolution or liquidation of an issuer, a security which is custodial property, and to the sale, lease, pledge or mortgage of any property by or to such an issuer, and to any other action by such an issuer. He may execute and deliver any and all instruments in writing which he deems advisable to carry out any of his powers as custodian.

(7) The custodian shall register each security which is custodial property and in registered form in the name of the custodian, followed, in substance, by the words: "as custodian for ----(name of minor)---- under the Uniform Gifts to Minors Act." The custodian shall hold all money which is custodial property in an account with a broker or in a bank in the name of the custodian, followed, in substance, by the words: "as custodian for ----(name of minor)---- under the Uniform Gifts to Minors Act". The custodian shall keep all other custodial property separate and distinct from his own property in a manner to identify it clearly as custodial property.

(8) The custodian shall keep records of all transactions with respect to the custodial property and make them available for inspection at reasonable intervals by a parent or legal representative of the minor or by the minor, if he has attained the age of fourteen years.

(9) A custodian has and holds as powers in trust with respect to the custodial property, in addition to the rights and powers provided in this Act, all the rights and powers which a guardian has with respect to property not held as custodial property.

Section 5. (1) A custodian is entitled to reimbursement from the custodial property for his reasonable expenses incurred in the performance of his duties.

(2) A custodian may act without compensation for his services.

(3) Unless he is a donor, a custodian may receive from the custodial property reasonable compensation for his services as determined by KRS 386.180.

(4) Except as otherwise provided in this Act, a custodian shall not be required to give a bond for the performance of his duties.

(5) A custodian not compensated for his services is not liable for losses to the custodial property unless they result from his bad faith, intentional wrongdoing or gross negligence or from his failure to maintain the standard of prudence in investing the custodial property provided in this Act.

Section 6. No issuer, transfer agent, bank, broker or other person acting on the instructions of or otherwise dealing with any person purporting to act as a donor or in the capacity of a custodian is responsible for determining whether the person designated by the purported donor or purporting to act as a custodian has been duly designated or whether any purchase, sale or transfer to or by or any other act of any person purporting to act in the capacity of custodian is in accordance with or authorized by this Act, or is obliged to inquire into the validity or propriety under this Act of any instrument or instructions executed or given by a person purporting to act as a donor or in the capacity of a custodian, or is bound to see to the application by any person purporting to act in the capacity of a custodian of any money or other property paid or delivered to him.

Section 7. (1) Only an adult member of the minor's family, a guardian of the minor or a trust company is eligible to become successor custodian. A successor custodian has all the rights, powers, duties and immunities of a custodian designated in a manner prescribed by this Act.

(2) A custodian, other than the donor, may resign and designate his successor by:

(a) executing an instrument of resignation designating the successor custodian; and

(b) causing each security which is custodial property and in registered form to be registered in the name of the successor custodian followed, in substance, by the words: "as custodian for ----(name of minor)---- under the Uniform Gifts to Minors Act"; and

(c) delivering to the successor custodian the instrument of resignation, each security registered in the name of the successor custodian and all other custodial property, together with any additional instruments required for the transfer thereof.

(3) A custodian, whether or not a donor, may petition the court for permission to resign and for the designation of a successor custodian.

(4) If the person designated as custodian is not eligible, renounces or dies before the minor attains the age of twenty-one years, the guardian of the minor shall be successor custodian. If the minor has no guardian, a donor, his legal representative, the legal representative of the custodian, an adult member of the minor's family, or the minor, if he has attained the age of fourteen years, may petition the court for the designation of a successor custodian.

(5) A donor, the legal representative of a donor, an adult member of the minor's family, a guardian of the minor or the minor, if he has attained the age of fourteen years, may petition the court that, for cause shown in the petition, the custodian be removed and a successor custodian be designated or, in the alternative, that the custodian be required to give bond for the performance of his duties.

(6) Upon the filing of a petition as provided in this Section, the court shall grant an order to show cause why the relief prayed for in the petition should not be granted and, in due course, grant such relief as the court finds to be in the best interests of the minor.

Section 8. (1) The minor, if he has attained the age of fourteen years, or the legal representative of the minor, an adult member of the minor's family, or a donor or his legal representative may petition the court for an accounting by the custodian or his legal representative.

(2) The court, in a proceeding under this Act or otherwise, may require or permit the custodian or his legal representative to account and, if the custodian is removed, shall so require and order delivery of all custodial property to the successor custodian and the execution of all instruments required for the transfer thereof.

Section 9. (1) This Act shall be so construed as to effectuate its general purpose to make uniform the law of those states which enact it.

(2) This Act shall not be construed as providing an exclusive method for making gifts to minors.

Section 10. This Act may be cited as the "Uniform Gifts to Minors Act".

Section 11. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

Section 12. This Act shall take effect July 1, 1958.

SB 258, AN ACT relating to forest fire protection.

WHEREAS, the timberlands of the Commonwealth, consisting of 11,500,000 acres out of a total area of 25,513,000 acres, with forest acreage in every county of the Commonwealth ranging from two to ninety-two percent, constitute one of its most valuable resources, furnishing raw products to approximately eleven hundred plants and mills in the state employing eighteen thousand persons with an annual payroll of $37,000,000, providing protection and habitat to wildlife resources and contributing more than any other factor to the success of water conservation and flood control programs;

WHEREAS, under the present law only forty-seven counties, representing 6,873,000, or approximately fifty-nine percent of the total timberland acreage, are participating in and receiving protection under the state voluntary cooperative fire protection plan; and under such law, during the last five years, 18,695 fires have occurred in non-participating counties as against seven thousand, eight hundred and sixty-five fires in participating counties;

WHEREAS, Kentucky ranks fourth in the states of the Union in number of individual timberland owners, there being 243,488 of such owners in the Commonwealth, and is the only state in region seven of the United States forest service consisting of fourteen states that does not have a state-wide forest fire control law; and

WHEREAS, forest fire prevention, detection and suppression is the concern of every county in the state and is necessary if the natural resources and general economy of the state is to be maintained;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise:

(1) "Director" means the Director of the Division of Forestry.

(2) "Division" means the Division of Forestry.

(3) "Timberland" means any land which has enough timber or woody brush, standing or down, to constitute a fire menace to itself or adjoining lands, but does not include lands under cultivation or entirely in grass, nor land that is an isolated fire risk unless a fire on it would imperil the lands of an adjoining landowner.

Section 2. (1) It shall be the duty of the division to establish and maintain a state-wide system of forest-fire prevention, detection and suppression.

(2) The division shall formulate a plan and program subject to the approval of the Commissioner of Conservation to extend forest fire protection to all counties not now participating in the state program. The plan shall provide for the establishment of such protection in all the counties of the state on or before January 1, 1964.

Section 3. (1) Each county receiving state forest fire protection on the effective date of this Act shall repay into the division until January 1, 1959, any amounts expended in the proceeding month by the division in such county for forest fire protection, not exceeding in any one year an amount equivalent to two cents per acre of privately owned timberlands in the county, according to the United States Forest Reappraisal Study of 1945 subject to additions and deductions of acreage since the making of such study.

(2) When facilities and trained personnel are available the director may give written notice to the county judge of any county not now participating in the state protection program that such services are available for establishment. Such notice shall be given at least sixty days before January 1 of the year in which the program is to be established.

Section 4. (1) After January 1, 1959, all counties receiving state forest fire protection and all counties having received notice of the intended establishment of such service shall annually pay to the division a sum equivalent to two cents per acre of privately owned timberlands according to the United States Forest Reappraisal Study of 1948-1952, subject to additions and deductions of acreage since the making of such study. Such payments shall be due and payable on September 15 following the assessment.

(2) Contributions may be met out of the general funds of the county and in addition the fiscal court may require each owner of timberland in the county to participate directly by paying into a special county forest fire protection fund an assessment not exceeding three cents per year for each acre of timberland of which he is the owner.

(3) In any case in which the division and the governing body of any county cannot agree upon the additions or deductions to privately owned forest acreage in a particular county, or to changes in forest acreage from year to year, the question shall be submitted to the judge of the circuit court of the county by a summary and informal proceeding, in term or vacation, and a decision of the judge, certified to the governing body and to the division respectively, shall be conclusive and final.

Section 5. (1) If the county governing body requires the owners to participate, it shall determine the amount of the assessment for each acre, and shall order the assessment to be paid into the county treasury by the owners of all timberland located in the county.

(2) It shall be the duty of each owner of timberland situated in the county to list or have listed such property with the county tax commissioner within the time provided for assessing property for state and county ad valorem taxes.

(3) Timberland shall be listed by the owner of the first freehold estate therein, and it shall be listed without reference to conflicting title. The listing shall be made at the same time and in the same manner in which declarations of real property owned are made with the county tax commissioner for assessment purposes. If the owner fails to list the timberland, the county tax commissioner shall list it. The county tax commissioner shall have the power to swear witnesses in order to ascertain the person in whose name to make the list.

(4) All persons in whose name the timberland acreage is properly listed shall remain bound for the assessment, notwithstanding they may have sold or parted with it.

Section 6. The county tax commissioner shall include on the regular property tax roll an accurate record of the acreage of timberland listed in the name of each owner in the county.

Section 7. (1) When the property tax rolls are delivered to the county clerk by the county tax commissioner, as required by law, the county clerk shall compute the assessment due the county from each owner of timberland in accordance with the rate fixed by the county governing body and the amount of timberland acreage indicated on the property tax roll.

(2) The computation shall be made on the regular tax bills in such manner as may be directed by regulation of the Department of Revenue.

(3) The county clerk shall deliver these bills to the sheriff for collection as provided in KRS 133.220 (3).

Section 8. (1) The sheriff shall collect the assessment at the same time and in the same manner in which he collects the state and county ad valorem tax. He shall issue a receipt to the taxpayer, report to the county court, and make his annual and final settlements with the fiscal court at the same time and in the same manner provided by law for his report and settlement of county and state taxes.

(2) Such assessments shall become due and payable on the date, and subject to the same discounts, delinquency rate, and penalties provided in KRS 134.020 for state, county and district taxes.

Section 9. A separate fund shall be maintained by the county treasurer to be known as the county Forest Fire Protection Fund. The assessments collected from each timberland owner, together with penalties, shall constitute the fund and it shall be used only for making payments to the division in accordance with provisions of Section 4 hereof.

Section 10. (1) Any person aggrieved by a listing of any portion of his property as timberland by the county tax commissioner may file a protest with the county judge, provided the protest is in writing and is made within thirty days of receipt of notice of the listing. Protest may be made on the ground that the land or any portion so listed is not timberland, or that the timberland so listed will not be benefited by the forest fire protective system then in effect, or benefited by the proposed forest fire protective system if the assessment is being made for the first time in that county.

(2) The county judge shall hear all protests properly filed. Protests shall be heard within a reasonable time after the filing thereof, and reasonable notice shall be given to the protestant and the director of the division as to the time and place of the hearing. The county judge shall have authority to issue subpoenas to compel the attendance of any witness desired by any interested party, and he shall be authorized to administer the oath to any witness.

(3) Proceedings for hearing any protest shall be summary and the findings of the county judge shall be final, and an order shall be entered either dismissing the protest or directing the proper county officials to alter their records in accordance with the findings.

Section 11. Sections 149.100, 149.110, 149.120, 149.135, 149.140, 149.150, 149.151, 149.152, 149.153, 149.154, 149.155, 149.156, 149.157, and 149.190 of the Kentucky Revised Statutes are repealed.

SB 259, AN ACT relating to seditious literature in institutions of learning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No person shall circulate, distribute, or disseminate to any institution of learning or library thereof any newspaper, magazine, document, circular or other printed matter advocating the overthrow of the government of the United States by force or by any illegal or unconstitutional method, or praising any form of government with advocates the overthrow of the government by such methods. Nor shall any person place any such printed matter in the library of any school, college, or other institution of learning or make such available in any manner to any student.

Section 2. Any person who violates this Act shall be fined not less than five hundred dollars nor more than one thousand dollars.

SB 264, AN ACT relating to compensation for city council members.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The compensation paid to members of the legislative bodies of all cities which operate under the councilmanic form of government, shall be fixed by the legislative bodies of such cities in a sum not to exceed fifteen dollars per actual legislative day. This section shall not apply to cities of the first class.

Section 2. Section 84.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) Members of the general council shall be elected for two years and until their successors have qualified.

(2) Each member shall have resided in the city for two years next preceding his election, and shall, at the time of his election, be a male citizen of Kentucky and a house keeper or owner of real estate in the city. At the time of his election, each councilman shall be at least twenty-four years of age and shall have been, for one year, a bona fide resident and voter of the ward for which he is chosen, and each alderman shall be at least thirty years of age.

(3) No person shall be eligible to be a member of the general council if, at the time of his election, he is interested in any contract with the city or in any application therefor, or is in arrears to the city for money or property collected or held, or has been convicted of malfeasance in office, bribery or other corrupt practice of crime, or holds any office or employment in any corporation that has or is an applicant for a contract with the city, the terms, rates or prices of which are subject to modification or enforcement by the general

council. Mere stockholders in such corporations are not ineligible for that reason, but shall not vote on or interfere with any matter of question affecting that corporation in any manner other than it affects the general public.

(4) At any time after the election of a member of the general council, the absence of cessation of any of the qualifications listed in subsection (2) of this section, or the occurring of any of the disqualifications listed in subsection (3) of this section, shall work a forfeiture of his office, and the general council shall so declare.

(5) For anything said in debate, members of the general council are entitled to the same immunities and protection allowed to members of the General Assembly.

Section 3. Section 85.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) Members of the common council shall take office on first Monday in December next after their election, and shall hold office for two years and until their successors are elected and have qualified.

(2) Each councilman, at the time of his election, shall be a citizen of Kentucky, shall have attained the age of twenty-four years, shall have actually resided within the city limits for two years next preceding his election, and the last year thereof in the ward for which he is chosen, and shall be a freeholder in the city.

(3) No person shall be eligible to the office of councilman who is, at the time of his election, interested in any contract with the city, or holds any franchise under, or any contract with, the city, or is a collector or keeper of city funds and has not, previous to his election, settled with the city and obtained a quietus. No councilman shall be eligible to any other city office during the period for which he was elected.

Section 4. Section 86.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) Members of the city council shall be elected for terms of two years.

(2) Each member of the council shall be a qualified voter in the city, and shall have been for at least six months prior to his election a resident of the ward for which he stands, if the city is divided into wards. No member of the council shall be interested in any contract with the city, or be in arrears to the city for money collected or withheld without a settlement or quietus therefor. The absence of any of the qualifications, or the existence of any of the disqualifications provided for in this subsection shall render a person ineligible to be a member of the council, and the council shall so declare, and shall fill the vacancy.

SB 267, AN ACT relating to police officers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Any policeman or peace officer in this state except those in cities of the first and second class may, unless specifically prohibited by ordinance, accept outside employment for compensation. Such employment shall be of a kind not incompatible with the policeman's official duties, and shall not interfere with his regular duties.

SB 273, AN ACT relating to newspaper publications for the purpose of legal notice or advertisement; including provisions to govern publications required by law to be made, and requiring certain matters to be published.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

DEFINITIONS

Sec. 1. As used in this Act:

(1) "Publication area" means the city, county, district or other local area for which an advertisement is required by law to be made. An advertisement shall be deemed to be for a particular city, county, district or other local area if it concerns an official activity of such city, county, district or other area or of any governing body, board, commission, officer, agency or court thereof, or if the matter of which advertisement is made concerns particularly the people of such city, county, district or other area.

(2) "Advertisement" means any matter required by law to be published, including evidences of official action such as ordinances, rules, regulations, financial reports or statements, audits, journals, orders, and certificates, as well as customary legal notices and advertisements for bids or of sales.

QUALIFICATIONS OF NEWSPAPERS

Sec. 2. (1) Except as provided in subsection (2) of this section, whenever an advertisement for a publication area is required by law to be published in a newspaper, the publication must be made in a newspaper that meets the following requirements:

(a) It must be published in the publication area. A newspaper shall be deemed to be published in the area if it maintains a known office in the area for the purpose of gathering news and soliciting advertisements and other general business of newspaper publication, and has a second-class mailing permit issued for that office. A newspaper printed outside of Kentucky shall not be eligible to publish advertisements for any county or publication area within the county if there is a newspaper printed in the county that has a substantial general circulation throughout the county and that otherwise meets the requirements of this section.

(b) It must be of regular issue and have the largest bona fide circulation in the publication area. A newspaper shall be deemed to be of regular issue if is published regularly, as frequently as once a week, for at least 50 weeks during the calendar year as prescribed by its mailing permit, and has been so published in the area for the immediately preceding one-year period. A newspaper shall be deemed to be of bona fide circulation in the publication area if it is circulated generally in the area, and maintains a definite price or consideration not less than 50 percent of its published price, and is paid for by not less than 50 percent of those to whom distribution is made.

(c) It must bear a title or name, consist of not less than four pages without a cover, and be of a type to which the general public resorts for passing events of a political, religious, commercial and social nature, and for current happenings, announcements, miscellaneous reading matter, advertisements, and other notices. The news content must be at least 25 percent of the total column space in more than one-half of its issue during any twelve-month period.

(2) If, in the case of a publication area smaller than the county in which it is located, there is no newspaper published in the area, the publication shall be made in a newspaper published in the county that is qualified under this section to publish advertisements for the county. If in any county there is no newspaper meeting the requirements of this section for publishing advertisements for such county, any advertisements required to be published for such county or for any publication area within the county shall be published in a newspaper of the largest bona fide circulation in that county, published in and qualified to publish advertisements for an adjoining county in Kentucky. This subsection is intended to supersede any statute which provides or contemplates that newspaper publication may be dispensed with if there is no newspaper printed or published or of general circulation in the particular publication area.

(3) If a publication area consists of a district which extends into more than one county, the part of the district in each county shall be considered to be a separate publication area for the purposes of this section, and an advertisement for each such separate publication area shall be published in a newspaper qualified under this section to publish advertisements for such area.

TIMES AND PERIODS OF PUBLICATION

Sec. 3. (1) Notwithstanding any provision of existing law to the contrary, the times and periods of publications of advertisements required by law to be made in a newspaper shall be as follows:

(a) When an advertisement is of a completed act, such as an ordinance, resolution, regulation, order, rule, report, statement, or certificate, and the purpose of the publication is not to inform the public or the members of any class or persons that they may or shall do an act or exercise a right within a designated period or upon or by a designated date, the advertisement shall be published one time only.

(b) When an advertisement is for the purpose of informing the public or the members of any class of persons that on or before a certain day they may or shall file a petition or exceptions or a remonstrance or protest or objection, or resist the granting of an application or petition, or present or file a claim, or submit a bid, or when the advertisement is of a sale, the advertisement shall be published once a week for three successive weeks.

(c) Any advertisement not coming within the scope of paragraph (a) or (b) of this subsection, such as one for the purpose of informing the public or the members of any class of persons of the holding of an election, or of a public hearing, or of an examination, or of an opportunity for inspection, or of the due date of a tax or special assessment, shall be published once a week for two successive weeks.

(d) Whenever any advertisement is required by this section to be published once a week for three successive weeks, or once a week for two successive weeks, the publication shall be so made that the final publication will appear not later than two days before the day upon which the advertised event will occur or upon or by which the advertisement contemplates that an act may or shall be done, and not sooner than some day during the week preceding the week in which falls the day of such event or act to be done; provided, however, that where any statute now provides that the day for an act to be done is to be determined by computing time from the day of publication of any avdertisement, the officer responsible for having the publication made shall select a day for the act to be done and shall state the same in the advertisement, and the successive weekly publications shall precede that day, unless the statute allows for doing the act a prescribed period of more than 30 days following the final publication, in which event the publication shall be made forthwith for the number of successive weeks prescribed by this section, and the prescribed period of time following final publication shall be allowed for doing the act, which fact shall be stated in the advertisement.

(2) This section is not intended to supersede or affect any statute providing for notice of the fact that an adversary action in court has been commenced.

CONTENTS OR FORM OF ADVERTISEMENTS

Sec. 4. (1) Where any statute provides that an act, such as the filing of a remonstrance, exception, protest or the like, may or shall be done within a specified period of time after the enactment of an ordinance, or the filing of a petition or application, and it is provided by the statute that the ordinance or notice of the filing of the petition or application shall be published, the advertisement shall include a statment of the nature of the act that may or shall be done and the date by which it is permitted or required to be done.

(2) Any advertisement of a hearing, meeting or examination shall state the time, place and purpose of the same.

(3) Any advertisement of official action, or proposed official action, or of a petition or application for official action, with respect to which members of the public are allowed time by statute within which to make objections in the form of a remonstrance, exceptions, protest, or the like, shall state the nature of the action taken, proposed or petitioned or applied for (except where the statute requires reproduction in full of the action, proposal, petition or application), the kind of objections that may be made, and the time when and and place where the objections are to be filed or submitted.

(4) Any advertisement of an election shall state the time and purpose of the election, and if the election is upon a public question the advertisement shall state the substance of the question.

(5) Any advertisement for bids or of a sale shall describe what is to be bid for or sold, the time and place of the sale or for the receipt of bids, and any special terms of the sale.

PERSON RESPONSIBLE FOR PUBLISHING

Sec. 5. When any statute providing for newspaper publication of an advertisement does not designate the person responsible for causing the publication to be made, the responsible person shall be:

(1) Where the advertisement is of the filing of a petition or application, the person by whom the same is filed.

(2) Where the advertisement is of an activity or action of:

(a) An individual public officer, the officer himself.

(b) A city, the city clerk.

(c) A county, the county court clerk.

(d) A district, or a board, commission or agency of a city, county or district, the chief administrative or executive officer or agent thereof.

(e) A court, the clerk thereof.

(f) A state department or agency, the head thereof.

RATES

Sec. 6. (1) For all newspaper advertising required by law, the publisher is entitled to receive for each insertion, compensation at a rate per linear inch, single column, computed as solid eight-point measure, as follows:

(a) In any newspaper other than a daily, $1.00 per linear inch.

(b) In a daily newspaper, $1.50 per linear inch, except that where the newspaper has an established rate for general advertisers in excess of the above rate, the publisher is entitled to receive compensation at a rate not exceeding that paid by general advertisers for comparable matter.

(2) If an advertisement is set in type larger than eight-point, or is leaded between lines, the rate per linear inch shall be according to the following scale:

Point Size	*Weekly*	*Daily*
Eight-point, one-point leaded	$0.89	$1.34
Nine-point solid	0.89	1.34
Eight-point, two-point leaded	0.80	1.20
Ten-point solid	0.80	1.20
Ten-point, two-point leaded	0.667	1.00

(3) Whenever by law or by the nature of the matter to be published a display form of advertisement is required, or whenever the person or officer responsible for causing an advertisement to be published determines in his discretion that a display form is practicable or feasible, and so directs the newspaper, the advertisement shall be published in display form and the newspaper shall be entitled to receive therefor its established display rate.

(4) Whenever it is provided by statute that an advertisement shall be published of the filing of a petition or application seeking official action, the filing shall not be deemed complete unless there is deposited with the petition or application an amount sufficient to pay the cost of publication.

(5) The expense of advertisements in judicial proceedings shall be taxed as costs by the clerk of the court.

PROOF OF PUBLICATION

Sec. 7. The affidavit of the publisher or proprietor of a newspaper, stating that an advertisement has been published in his newspaper and the times it was published, attached to a copy of the advertisement, constitutes prima facie evidence that the publication was made as stated in the affidavit.

ADVERTISEMENTS OF STATE AGENCIES

Sec. 8. Any advertisement which a state officer, department or agency is required by law to have published shall, if intended to give state-wide notice, be published in such newspaper or newspapers, to be designated by the Department of Finance, as will provide reasonable state-wide coverage. If the advertisement particularly affects a local area it shall be published, for each county in the area, in a newspaper qualified under Section 2 of this Act to publish advertisements for such county. The latter publication shall be in addition to the former, if the advertisement affects the state at large as well as the local area.

ALTERNATIVES TO NEWSPAPER PUBLICATION ABOLISHED

Sec. 9. In any case where a statute now gives discretion to a public officer or agency or governmental body as to the method of making an advertisement required by the statute, and in any case where a statute now provides that an advertisement may be made either by posting or by newspaper publication, the advertisement shall be made by newspaper publication in accordance with the provisions of this Act.

NOTICE WHEN NO NEWSPAPER AVAILABLE

Sec. 10. If no qualified newspaper exists, willing to publish an advertisement required by statute, the advertisement shall be made by posting as provided by the particular statute, or if posting is not specifically provided for, then by such posting as will give reasonable notice.

OFFICIAL NEWSPAPERS ABOLISHED

Sec. 11. No official newspaper shall be designated by any governmental unit for the publication of advertisements for such unit.

MATTERS REQUIRED TO BE PUBLISHED

(Sections 12 through 27)

Sec. 12. Excepting officers of a city of the first class, and of a county containing such a city, and of a school district of such a city or county, and excepting officers of a city of the second class that is required by law to publish an annual audit of its financial affairs, every public officer of any school district, city, county, or subdivision or district less than a county, whose duty it is to collect, receive, have the custody, control or disbursement of public funds, and every officer of any board or commission of a city, county or district whose duty it is to collect, receive, have the custody, control or disbursement of funds collected from the public in the form of rates, charges or assessments for services or benefits, shall at the expiration of each fiscal year prepare an itemized, sworn statement of the funds collected, received, held or disbursed by him during the fiscal year just closed, unless he has complied with Section 13 of this Act. The statement shall show the amount of funds collected and received, from what sources received, the amount disbursed, the date of each disbursement, for what purpose expended, and to whom paid, except that only the totals of amounts paid as gross salaries to each individual need be shown. The officer shall procure and include in or attach to the statement as a part thereof a certificate from the cashier or other proper officer of the banks in which the funds are or have been deposited during the past year, showing the balance, if any, of funds to the credit of the officer making the statement. The officer shall, within 60 days after the close of the fiscal year, cause the statement to be published in full in a newspaper qualified under Section 2 of this Act to publish advertisements for the city, county or district, as the case may be. Promptly after the publication is made, the officer shall file a written or printed copy of the advertisement with proof of publication, in the office of the county court clerk of the county. Within 30 days after publication the officer shall file with the Auditor of Public Accounts a copy of the newspaper containing the statement.

Sec. 13. Any officer who is subject to the provisions of Section 12 of this Act may elect to prepare and publish monthly or quarterly statements, in lieu of the annual statements required by Section 12. All of the provisions of Section 12 shall be applicable to such a monthly or quarterly statement except that (1) the statement shall cover only the preceding month or quarter, as the case may be, and (2) the publication shall be made within 30 days after the end of the month or quarter, as the case may be. Any officer who has elected to proceed under this section shall not be exempted from the requirements of Section 12 of this Act for any fiscal year unless he has caused to be prepared and published, in accordance with this section, a proper statement for each month or quarter of the fiscal year.

Sec. 14. Immediately following the adoption of an annual budget by any city other than one of the first class, the city clerk shall cause the budget to be advertised for the city by publication of it in a newspaper.

Sec. 15. At the same time that copies of the budget of a school district are filed with the clerk of the tax levying authority for the district, as provided in KRS 160.470, the board of education of the district shall cause the budget to be advertised for the district by publishing a copy of the budget in a newspaper.

Sec. 16. Except where a statute specifically fixes a larger sum as the minimum for a requirement of advertisement for bids, no city, county or district, or board or commission of a city or county, may make a contract for materials, supplies, or equipment, or for contractual services other than professional, involving an expenditure of more than $500, without first making newspaper advertisements for bids.

Sec. 17. No regulation promulgated by any officer, board or commission of a city, county or district, which is intended to impose liabilities or restrictions upon the public, shall be valid unless and until it has been advertised by newspaper publication.

Sec. 18. Every officer whose duty it is to collect any ad valorem tax for the state or for any political subdivision of the state shall cause notice of the due date of the tax to be advertised by newspaper publication, and shall not be given a quietus for the taxes collected unless he submits proof of such publication.

Sec. 19. Not less than three days before any primary or regular election the county court clerk shall cause to be published in a newspaper a facsimile of the ballot or ballots, or when voting machines are to be used, of the face of the voting machines showing the ballot labels in place. Where the ballots or voting machine faces differ for various precincts within the county, a facsimile of each different ballot or voting machine face shall be published, with appropriate identification. The cost of publication shall be paid by the county, except that the cost of publishing any ballot or voting machine face that is limited to a city election shall be paid by the city.

Sec. 20. Notices of hearings by the Public Service Commission upon applications by public utilities for rate increases or reduction or discontinuance of service shall be advertised by the commission by newspaper publication in the areas that will be affected.

Sec. 21. Notices of hearings by the Railroad Commission upon applications by a railroad for rate increase or a reduction or discontinuance of service shall be advertised by the commission by newspaper publication in the areas that will be affected.

Sec. 22. Notices of hearings by the Department of Motor Transportation upon applications for a certificate or permit, or for a sale, transfer or lease, or for a change in route, or for amendment or abandonment of a certificate or permit, or for a change in rates, shall be advertised by the department by newspaper publication in the areas that will be affected.

Sec. 23. Whenever the sheriff of any county files with the fiscal court a list of uncollectible delinquent taxes, in accordance with KRS 134.360 and 134.370, the fiscal court shall promptly cause such list, showing the name of and amount due from each delinquent taxpayer, to be advertised by newspaper publication. A fee of $1.00 shall be added to the amount of each tax claim so published, as publication costs.

Sec. 24. Except as provided in subsections (2) and (3) of this section, the administrator or executor of the estate of any decedent shall, upon receipt of his letters of appointment, cause notice to be given by newspaper publication of the fact of his appointment, and that all persons having claims against the estate shall present them, verified according to law, to the administrator or executor, at a designated address, not later than a designated date, to be fixed as three months after the final publication. The first publication shall be made within one month after the receipt of the letters of appointment.

(2) Such publication is not required where notice to creditors has been published by a former administrator or executor of the estate.

(3) The court may in its discretion dispense with such publication when the gross assets of the estate are insufficient to pay preferred claims. The court may also dispense with publication when the gross assets of the estate, including real and personal property, do not exceed $500 in value, in which case the administrator or executor, within one month after receipt of his letters of appointment, shall post notices in three prominent places, including the courthouse of the county of his appointment, setting forth the fact of his appoint-

ment and notifying creditors of the decedent to present their claims to him by a designated date, which shall be three months after the date on which the notices are posted.

Sec. 25. Whenever, by the provisions of KRS 395.015 or 395.016, notice of hearing of an application for appointment of an executor, administrator, administrator with the will annexed, guardian or committee is required, the person who files the application must cause notice of the application to be given by newspaper publication, stating the name of the decedent, or the minor or incompetent person, the name of the person filing the application, the nature of the letters sought, and the time and place of hearing on the application.

Sec. 26. No sale of general obligation bonds or revenue bonds of any governmental unit or political subdivision, or agency thereof, shall be made except upon newspaper advertisement for bids, published for the publication area constituted by the political subdivision or governmental unit.

Sec. 27. Upon request made to the master commissioner by any person who will have a substantial interest in the proceeds of a judicial sale of real estate, the master commissioner shall cause the required advertisement of sale to be published in display form.

PENALTIES

Sec. 28. Any person who violates any provision of this Act shall be fined not less than $50 nor more than $500. In addition, any officer who fails to comply with any of the provisions of Sections 12, 13, 14, 15, 19 or 23 of this Act shall, for each such failure, be subject to a forfeiture of not less than $50 nor more than $500, in the discretion of the court, which may be recovered in a civil action brought by any citizen of the city, county or district for which the officer serves. A reasonable fee for the attorney of the citizen bringing the action shall be taxed as costs.

REPEALS

Sec. 29. This Act is intended to standardize and make uniform the law relating to legal advertisements and to that end it shall be deemed to supersede all other statutes and parts of statutes containing specialized provisions for particular advertisements, to the extent that such provisions are in conflict with this Act. KRS 24.020, 57.220, 61.290, 61.295, 396.005, 424.010, 424.020, 424.030, and 424.040 are specifically repealed.

SB 280, AN ACT relating to state lands and buildings and the financing thereof.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

"No state agency, except the State Property and Buildings Commission, shall have the power and authority to borrow money and to issue and sell revenue or other authorized bonds."

Section 2. Section 58.020 of the Kentucky Revised Statutes is amended to read as follows:

"A governmental agency acting separately or jointly with one or more of any such agency, may acquire, construct, maintain, add to and improve any public project as defined in KRS 58.010, which public project may be located within or without or partly within and partly without the territorial limits of such governmental agency or agencies and for the purpose of defraying the cost thereof may borrow money and issue negotiable revenue bonds. Any governmental agency may borrow money and issue revenue bonds under KRS 58.010 to 58.140 pursuant to an order, resolution or ordinance of its legislative or administrative body, which order, resolution or ordinance shall set forth the proposed public project, the amount of the revenue bonds to be issued and the maximum rate of interest. In every instance the order, resolution or ordinance shall provide that the public project is being undertaken under the provisions of KRS 58.010 to 58.140."

Section 3. Section 148.030 of the Kentucky Revised Statutes is amended to read as follows:

"(1) The cost of acquiring such parks and constructing improvements and facilities therein and equipping same may be defrayed by funds received from appropriations, gifts, the use of money received as fees and charges for the use of said parks and facilities, or by a combination of such sources of funds."

Section 4. Section 58.010 of the Kentucky Revised Statutes is amended to read as follows:

"As used in KRS 58.010 to 58.140, unless the context requires otherwise:

"(1) 'Public project' means any lands, buildings or structures, works or facilities suitable for and intended for use as public property for public purposes or suitable for and intended for use in the promotion of the public health, public welfare or the conservation of natural resources, including the planning of any such lands, buildings, structures, works or facilities, and shall also include existing lands, buildings, structures, works and facilities, as well as improvements or additions to any such lands, buildings, structures, works or facilities."

"(2) 'Governmental agency' means any county, city, or other political subdivision of the Commonwealth."

Section 5. Section 56.440 of the Kentucky Revised Statutes is amended to read as follows:

"As used in KRS Chapter 56, unless the context otherwise requires:

"(1) 'Commission' means the State Property and Buildings Commission.

"(2) 'Real estate' includes land together with improvements thereon and appurtenances thereto.

"(3) 'Building' includes any structure or improvement upon real estate of a permanent nature.

"(4) 'Building project' includes the construction, reconstruction and structural maintenance of buildings, the installation of utility services, including roads and sewers, and the purchase and installation of equipment, facilities and furnishings of a permanent nature for buildings.

"(5) 'State agency' means any state officer, department, board, commission, institution, educational institution, division, or independent agency as defined in Chapter 12 of the Kentucky Revised Statutes.

"(6) 'Department' means the Department of Finance."

Section 6. Section 148.030 (2), 148.030 (3), 148.030 (4), 148.030 (5), 150.610 and 247.180 of the Kentucky Revised Statutes are repealed.

SB 281, AN ACT relating to Confederate pensions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 206.030 of the Kentucky Revised Statutes is amended to read as follows:

No person shall be entitled to the benefits of this chapter who:

(1) Is able to earn a support by manual labor or by reason of his knowledge, art, or skill, in any profession, trade or craft;

(2) Removes from this state or is absent therefrom for a period of three months;

(3) Possesses property of the value of $2,500;

(4) Possesses an income to the amount of or equivalent to $300 a year; or who is living with his wife who possesses property in fee simple or a life interest of the value of $2,500, or an income of $300 per year;

(5) Is suitably provided with support by reason of a contract or agreement with a person able to provide such support; or

(6) By reason of combined partial ability to earn a support and income and property, or any and all of these combined is able to obtain an income equivalent to $300 a year.

Provided, however, that no pension received from the United States or any state or foreign government or any other source shall be figured in the computation of income under this chapter.

Section 2. Whereas many widows of Confederate veterans, by administrative decision, are deprived of their Confederate pension under this chapter because of receipt of Old Age Assistance, Old Age and Survivors' Insurance and other payments presnetly considered to be pensions, and in order that these widows of Confederate veterans may be paid without undue delay so as to alleviate hardship, an emergency is declared to exist and this Act shall take effect upon its passage and approval by the Governor.

SB 285, AN ACT relating to motor carriers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 281.605 of the Kentucky Revised Statutes is repealed and re-enacted to read as follows:

(1) The provisions of this chapter shall not apply, except as to the safety regulations, to:

(a) Motor vehicles used as school buses and while engaged in the transportation of students, under the supervision and control and at the direction of school authorities;

(b) Motor vehicles, regardless of ownership, used exclusively:

1. For the transportation of agricultural and dairy products, including fruit, livestock, meats, fertilizer, wood, lumber, cotton, products of grove or orchard, poultry and eggs, while owned by the producer of the products, including landlord where the relation of landlord and tenant or landlord and cropper is involved, from the farm to a market, warehouse, dairy or mill, or from one market, warehouse, dairy or mill to another market, warehouse, dairy or mill; or

2. For the transportation of agricultural and dairy products, livestock, farm machinery, feed, fertilizer, and other materials and supplies essential to farm operation, from market or shipping terminal to farm; or

3. For both the purposes described in subparagraph 1 and 2 of this paragraph; or

4. For the transportation of agricultural and dairy products from farm to regularly organized fairs and exhibits and return;

(c) Motor vehicles used exclusively as church buses and while operated in the transportation of persons to and from a church or place of worship or for other religious work under the supervision and control and at the direction of church authorities;

(d) Motor vehicles used exclusively in transporting materials, supplies and equipment for the construction, reconstruction or maintenance of any public highways, road or street in this state;

(e) Motor vehicles used exclusively for the transportation of property belonging to a nonprofit cooperative association or its members where the vehicle is owned or leased exclusively by the association;

(f) Motor vehicles owned in whole or in part by any person and used by such person to transport petroleum products and those incidental supplies used or sold in connection with the wholesale or retail sale of such petroleum products of which petroleum products or incidental supplies, such person is the owner, lessee, consignee, or bailee; provided, however, that such transportation is for the purpose of sale, lease, rent or bailment, and is an incidental adjunct to an established private business owned and operated by such person in the furtherance of any commercial enterprise other than the business of transportation of property for hire;

(g) Motor vehicles used as a U-Drive-It only for the transportation of property operated exclusively within a city or within a city and its commercial area;

(h) Motor vehicles used in pick-up or delivery service within a city or within a city and its commercial area for a carrier by rail.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

The following vehicles operated by a carrier or motor carrier shall be exempt from the tax imposed by KRS 281.810; Motor vehicles registered under subsection (3) of KRS 186.050 or motor vehicles owned by any person not a resident of this state and duly registered under the laws of any other state, which when operated in this state are used exclusively for the transportation of property for hire within the corporate limits of the city named in the affidavit hereinafter required to be filed or within ten miles of the limits of such city if such city is a city of the first, second, third or fourth class, or within five miles of the limits of such city if such city is a city of the fifth or sixth class. Operations outside of this state shall not be considered in determining whether or not this exemption applies. When claiming exemption under this section, the carrier shall file with the department an affidavit stating that the motor vehicle when used in this state is to be used only for the transportation of property within the city named in the affidavit and the area above set out, and that the vehicle will not be used outside of such city and the area above set out during the current registration period. The carrier shall furnish such other information as may be required by the rules and regulations of the department, and shall otherwise be subject to the provisions of KRS Chapter 281 and the rules and regulations of the Department of Motor Transportation.

SB 286, AN ACT relating to interstate water pollution control.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Tennessee River Basin Water Pollution Control Compact is enacted and entered into by the Commonwealth of Kentucky as a party and is of full force and effect as between the Commonwealth of Kentucky and any other state of the Tennessee River Basin Water Pollution Control District that has entered into the compact. The compact is as follows:

ARTICLE I. The purpose of this compact is to promote effective control and reduction of pollution in the waters of the Tennessee River Basin through increased cooperation of the states of the Basin, coordination of pollution control activities and programs in the Basin, and the establishment of a joint interstate commission to assist in these efforts.

ARTICLE II. The party states hereby create the "Tennessee River Basin Water Pollution Control Commission," hereinafter referred to as the "Commission," which shall be an agency of each party state with the powers and duties set forth herein, and such others as shall be conferred upon it by the party states or by the Congress of the United States concurred in by the party states.

ARTICLE III. A. The party states hereby create the "Tennessee River Basin Water Pollution Control District," hereinafter called the "District," which consists of the area drained by the Tennessee River and its tributaries.

B. From time to time the Commission may conduct surveys of the Basin, study the pollution problems of the Basin, and make comprehensive reports concerning the prevention or reduction of water pollution therein. The Commission may draft and recommend to the parties hereto suggested legislation dealing with the pollution of waters within the Basin or any portion thereof. Upon request of a state water pollution control agency, and in a manner agreed upon by such agency and the Commission, the Commission shall render advice concerning the various governments, communities, municipalities, persons, corporations or other entities with regard to particular problems connected with the pollution of waters. The Commission shall present to the appropriate officials of any government or agency thereof its recommendations relating to enactments to be made by any legislature in furthering the intents and purposes of this Article. The Commission, upon request of a member state or upon its own instance may, after proper study, and after conducting public hearings, recommend minimum standards of water quality to be followed in the several areas of the District.

ARTICLE IV. The Commission shall consist of three Commissioners from each state, each of whom shall be a resident voter of such state. The Commissioners shall be chosen in the manner and for the terms provided by the laws of the state from which they are appointed, and each Commissioner may be removed or suspended from office as provided by the law of the state from which he is appointed.

ARTICLE V. A. The Commission shall elect annually from its members a Chairman and a Vice Chairman to serve at its pleasure. It shall adopt a seal and suitable by-laws for its management and control. The Commission is hereby authorized to adopt, prescribe and promulgate rules and regulations for administering and enforcing all provisions of this Compact. It may maintain one or more offices for the transaction of its business. Meetings shall be held at least once each year. It may determine duites, qualifications and compensation for and appoint such employes and consultants as may be necessary and remove or replace them.

B. The Commission shall not compensate the Commissioners for their services but shall pay their actual expenses incurred in and incidental to the performance of their duties.

C. The Commission may acquire, by gift or otherwise, and may hold and dispose of such real and personal property as may be appropriate to the performance of its functions. In the event of sale of real property, proceeds may be distributed among the several party states, each state's share being computed in a ratio to its contributions; and in the event of dissolution of the Commission, the property and assets shall be disposed of and the proceeds distributed in a like manner.

D. Each Commissioner shall have one vote. One or more Commissioners from a majority of the party states shall constitute a quorum for the transaction of business, but no action of the Commission imposing any obligation on any party state or any municipality, person, corporation or other entity therein shall be binding unless a majority of all of the members from such party state shall have voted in favor thereof. The Commission shall keep accurate accounts of all receipts and disbursements, and shall submit to the Governor and the legislature of each party state an annual report concerning its activities, and shall make recommendations for any legislative, executive or administrative action deemed advisable.

E. The Commission shall at the proper time submit to the Governor of each party state for his approval an estimate of its proposed expenditures. The Commission shall subsequently adopt a budget and submit appropriation requests to the party states in accordance with the laws and procedures of such states.

F. The Commission shall not pledge the credit of any of the party states. The Commission may meet any of its obligations in whole or in part with funds available to it, from gifts, grants, appropriations or otherwise, provided that the Commission takes specific action setting aside such funds prior to the incurring of any obligation to be met in whole or in part in this manner. Except where the Commission makes use of funds already available to it, the Commission shall not incur any obligations prior to the making of appropriations adequate to meet the same.

G. The accounts of the Commission shall be open at any reasonable time to the inspection of such representatives of the respective party states as may be duly constituted for that purpose. All receipts and disbursements of funds handled by the Commission shall be audited yearly by a qualified public accountant, and the report of the audit shall be included in and become a part of the annual report of the Commission. The Commission shall appoint an Executive Director. The Commission shall also appoint a Treasurer who may be a member of the Commission. The Executive Director shall be custodian of the records of the Commission with authority to attest to and certify such records and copies thereof under the seal of the Commission. The Commission shall require bonds of its Executive Director and Treasurer in the amount of at least twenty-five per cent of the annual budget of the Commission.

ARTICLE VI. Each of the Commissioner's budgets of estimated expenditures shall contain specific recommendations of the amount or amounts to be appropriated by each of the party states. In determining these amounts, the Commission shall prorate one-half of its budget among the several states in proportion to their land area within the District, and shall prorate the other half among the several states in proportion to their population within the District at the last preceding Federal census.

ARTICLE VII. A. It is recognized, owing to such variable factors as location, size, character and flow and the many varied uses of the waters subject to the terms of this Compact, that no single standard of sewage and water treatment and no single standard of quality of receiving waters is practical and that the degree of treatment of sewage and industrial wastes should take into account the classification of the receiving waters according to present and proposed highest use, such as for drinking water supply, industrial and agricultural uses, bathing and other recreational purposes, maintenance and propagation of fish life, navigation and disposal of wastes.

B. The Commission may establish reasonable physical, chemical and bacteriological standards of water quality satisfactory for various classifications of use. It is agreed that each of the signatory states through appropriate agencies will prepare a classification of its interstate waters in the District in entirety or by portions according to present and proposed highest use, and for this purpose technical experts employed by appropriate state water pollution control agencies are authorized to confer on questions relating to classification of interstate waters affecting two or more states. Each signatory state agrees to submit its classification of its interstate waters to the Commission for approval. It is agreed that after such approval, all signatory states through their appropriate state water pollution control agencies will work to establish programs of treatment of sewage and industrial wastes which will meet standards established by the Commission for classified waters. The Commission may from time to time make such changes in definitions of classifications and in standards as may be required by changed conditions or as may be necessary for uniformity and in a manner similar to that in which these standards and classifications were originally established.

ARTICLE VIII. A. A state pollution control agency of any party state may certify to the Commission an alleged violation of the Commission's standards of quality of water entering said state. Upon such certification the Commission may call a hearing at which the appropriate state pollution agencies shall be represented. If the Commission finds a violation has occurred, is occurring or is likely to recur, it shall make recommendations as to the manner of abatement of the pollution to the appropriate water pollution control agency of the party state within which the violation has occurred, is occurring or is likely to recur. In the event that Commission recommendations made pursuant to the preceding provisions of this Article do not result in compliance within a reasonable time, the Commission may, after such further investigation if any as is deemed necessary and proper and after a hearing held in the state where a violation occurs or has occurred, issue an order or orders upon any municipality, person, corporation or other entity within said party state violating provisions of this Compact by discharging sewage or industrial wastes into the waters of the District which flow through, into or border upon any party state. Such order or orders may prescribe the date on or before which such discharge shall be wholly or partially discontinued, modified or treated or otherwise disposed of. The Commission shall give reasonable and proper notice in writing of the time and place of the hearing to the municipality, person, corporation or other entity against which such order is proposed except that when the Commission shall find that a public health emergency exists, it may issue such an order pending hearing. In all such instances, the hearing shall be promptly held and the order shall be withdrawn, modified or made permanent within thirty days after hearing. No order prescribing the date on or before which such discharge shall be wholly or partially discontinued, modified or treated or otherwise disposed of shall go into effect upon a municipality, person, corporation or other entity in any state unless and until it receives the approval of a majority of the Commissioners from each of not less than a majority of the party states, provided that such order receives the assent of not less than a majority of the Commissioners from such state.

B. It shall be the duty of the municipality, person, corporation or other entity within a party state to comply with any such order against it or him by the Commission, and any court of competent jurisdiction in any of the party states shall have jurisdiction, by mandamus, injunction, specific performance or other form of remedy, to enforce any such order against any municipality, person, corporation or other entity domiciled, located or doing business within such state; provided, however, such court may review the order and affirm, reverse or modify the same in any appropriate proceeding brought and upon any of the grounds customarily applicable in proceedings for court review of administrative decisions. The Commission or, at its request, the Attorney General or other law enforcing official of the appropriate state shall have power to institute in such court any action for the enforcement of such order.

ARTICLE IX. Nothing in this Compact shall be construed to limit the powers of any party state, or to repeal or prevent the enactment of any legislation, or the enforcement of any requirement by any party state, imposing any additional conditions and restrictions to further reduce or prevent the pollution of waters within its jurisdiction.

ARTICLE X. A. Nothing contained in this Compact shall be construed so as to conflict with any provision of the Ohio River Valley Water Sanitation Compact or to impose obligations on any party state inconsistent with those which it has undertaken or may undertake by virtue of its membership in said Compact; provided that nothing contained in this Article shall be deemed to limit the Commission's power to set higher standards for the waters of the Tennessee River Basin Water Pollution Control District or any portion thereof than those required for the Ohio River Valley Water Sanitation District.

B. Nothing contained in this Compact shall be deemed to give the Commisison any regulatory power or jurisdiction over any aspect of pollution abatement or control within the District unless existing or future pollution of such waters does or is likely to affect adversely the quality of water flowing among, between, into or through the territory of more than one party state.

ARTICLE XI. Any two or more of the party states by legislative action may enter into supplementary agreements for further regulation and abatement of water pollution in other areas within the party states and for the establishment of common or joint services or facilities for such purpose and designate the Commission to act as their joint agency in regard thereto. Except in those cases where all member states join in such supplementary agreement and designation, the representatives in the Commission of any group of such designating states shall constitute a separate section of the Commission for the performance of the function or functions so designated and with such voting rights for these purposes as may be stipulated in such agreement; provided that, if any additional expense is involved, the member states so acting shall appropriate the necessary funds for this purpose. No supplementary agreement shall be valid to the extent that it conflicts with the purposes of this Compact and the creation of such a section as a joint agency shall not affect the privileges, powers, responsibilities or duties of the member states participating therein as embodied in the other articles of this Compact.

ARTICLE XII. This Compact shall enter into force and become effective and binding when it has been enacted by the legislature of Tennessee and by the legislatures of any one or more of the states of Alabama, Georgia, Kentucky, Mississippi, North Carolina and Virginia and upon approval by the Congress of the United States and thereafter shall enter into force and become effective and binding as to any other of said states when enacted by the legislature thereof.

ARTICLE XIII. This Compact shall continue in force and remain binding upon each party state until renounced by act of the legislature of such state, in such form and manner as it may choose; provided that such renunciation shall not become effective until six months after the effective date of the action taken by the legislature. Notice of such renunciation shall be given to the other party states by the Secretary of State of the party state so renouncing upon passage of the act.

ARTICLE XIV. The provisions of this Compact or of agreements thereunder shall be severable and if any phrase, clause, sentence or provision of this Compact, or such agreement, is declared to be contrary to the Constitution of any participating state or of the United States or the applicability thereof to any state, agency, person or circumstance is held invalid, the constitutionality of the remainder of this Compact or of any agreement thereunder and the applicability thereof to any state, agency, person or circumstance shall not be affected thereby, provided further that if this Compact or any agreement thereunder shall be held contrary to the Constitution of the United States or of any state participating therein, the Compact or any agreement thereunder shall remain in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. It is the legislative intent that the provisions of this Compact shall be reasonably and liberally construed.

Section 2. Section 220.560 of the Kentucky Revised Statutes is amended to read as follows:

(1) A three-member Interstate Water Sanitation Board is established. The members of the board shall serve as Kentucky's members of interstate water sanitation control commissions created by compacts to which Kentucky is a party, which compacts are composed of states forming a river basin, and which compacts require a three member representation from each state. The Governor shall appoint two of the board members, each of whom shall be a resident and citizen of this state. Two of the members shall be appointed for terms of four years each, and shall hold office until their successors are appointed and qualified, subject to removal at the pleasure of the Governor. The Commissioner of Health shall, ex officio, be the third member of the board. Except as otherwise provided by the respective compacts, the ex officio member may delegate to any deputy or other subordinate in his department the power to be present and participate, including the right to vote, as his representative or substitute at any meeting, hearing or other proceeding of the commissions.

(2) The membership of the first Interstate Water Sanitation Board shall be composed of the membership of the Ohio River Valley Water Sanitation Commission existing at the effective date of this Act, and

the terms of the appointed members shall be effective from the date of their appointment to the Ohio River Valley Water Sanitation Commission.

Section 3. The interstate water sanitation control commissions created by compacts to which Kentucky is a party, which compacts are composed of states forming a river basin, shall have all the powers provided for in the respective compacts, and all the powers necessary or incidental to the carrying out of the compacts in every particular. All officers of this state shall do all things falling within their respective provinces and jurisdictions necessary or incidental to the carrying out of the compacts in every particular, it being the policy of this state to perform and carry out the compacts and to accomplish the purposes thereof. All officers, bureaus, departments and persons of and in the state government or administration of this state shall at convenient times and upon request of the respective commissions furnish the commissions with information and data possessed by them and aid the commissions by loan of personnel or other means lying within their legal powers respectively. The courts of general jurisdiction of this state shall have the jurisdiction specified in the enforcement articles of the compacts, and the Attorney General or any other law-enforcing officer of this state shall have the power to institute any action for the enforcement of the orders of the commissions. Any powers granted to the commissions by this section shall be regarded as in aid of and supplemental to and not as a limitation upon any of the powers vested in the commissions by other laws of this state or by the laws of any of the states party to any of the compacts, or by Congress, or by the terms of the compacts.

Section 4. The Governor is authorized to enter into supplementary agreements with the State of Tennessee for the regulation and abatement of water pollution in areas and river basins common to the Commonwealth of Kentucky and the State of Tennessee, and may take such supplementary action as may be necessary to make any such supplementary agreement effective as between the Commonwealth of Kentucky and the State of Tennessee.

Section 5. For the purposes of the Tennessee River Basin Water Pollution Control Compact, the sum of $1,100 is appropriated out of the General Fund for the fiscal year 1958-59 and a like amount for the fiscal year 1959-60.

SB 287, AN ACT relating to the criminal code of practice.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. For the purpose of improving criminal practice and procedure in the courts of the Commonwealth, there shall be a Criminal Code Committee composed of the Chief Justice of the Court of

Appeals or a member of the Court designated by him, two circuit judges, a member of the faculty of each of the law schools in the Commonwealth, two attorneys associated with the prosecution of criminal cases and two attorneys experienced in the defense of criminal cases, the last eight members to be appointed by the Governor to serve for a term of two years. The members of the committee shall receive no compensation for their services but shall be reimbursed for necessary travel expenses incurred in connection with their services on the committee.

Section 2. With the advice and assistance of the Criminal Code Committee the Legislative Research Commission shall make a comprehensive study of the Kentucky Code of Practice in Criminal Cases and shall formulate and execute such plans and policies for the simplification, clarification and revision of the Code as may appear necessary and proper, including the transposition of general procedural rules from the Kentucky Revised Statutes to the Code and matters of substantive law from the Code to the Kentucky Revised Statutes. In such revision the rights of defendants shall not be abridged, enlarged or modified, but procedure shall be simplified and strengthened so as to provide for fair and forceful prosecution by the Commonwealth.

Section 3. The Commission with the assistance of the Committee shall prepare for submission to the next regular session of the General Assembly for legislative consideration and action its recommendations for a complete and revised code governing practice and procedure in criminal cases.

Section 4. The Reviser of Statutes is directed to publish in the next edition of the Kentucky Revised Statutes the Code of Criminal Practice; and to publish in subsequent editions all parts of the new system of criminal practice enacted as a result of the study directed by this Act.

SB 290, AN ACT relating to the Legislative Research Commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The Legislative Research Commission may prescribe reasonable fees for general distribution of its publications. All such fees paid to the Commission and not expressly required to be placed in other funds shall be placed in the State Treasury to the credit of a revolving, trust or agency fund account for use by the Legislative Research Commission in publishing its reports.

SB 291, AN ACT relating to the publication of administrative regulations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 13 of the Kentucky Revised Statutes is created to read as follows:

No state agency other than the Legislative Research Commission shall publish administrative rules or regulations unless the rules or regulations are enclosed in a booklet or binder on which the words "Informational Copy" are clearly stamped or printed.

Section 2. Section 156.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) The State Board of Education shall have the management and control of the common schools, public vocational education and vocational rehabilitation, West Kentucky Vocational School, and the Kentucky School for the Blind.

(2) The State Board of Education may, on the recommendation and with the advice of the Superintendent of Public Instruction, prescribe, print, publish and distribute at public expense such rules, regulations, courses of study, curriculums, bulletins, programs, outlines, reports and placards as it deems necessary for the efficient management, control and operation of the schools under its jurisdiction. All rules and regulations published or distributed by the board shall be enclosed in a booklet or binder on which the words "Informational Copy" shall be clearly stamped or printed.

(3) In its capacity as a board of control for the West Kentucky School, the board may receive by any legal mode of conveyance, and hold and enjoy, property of any description.

Section 3. Section 317.360 of the Kentucky Revised Statutes is amended to read as follows:

(1) A copy of regulations promulgated by the board shall be provided the owner, supervisor or manager of every licensed shop and school. The owner, supervisor or manager shall display it in a conspicuous place in each shop or school.

(2) All rules and regulations published or distributed by the board shall be enclosed in a booklet or binder on which the words "Informational Copy" shall be clearly stamped or printed.

SB 300, AN ACT relating to state archives and records.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act the word "records" means all books, papers, maps, photographs, and other documentary materials, regardless of physical form or characteristics, made or received by any agency of the state government in pursuance of the state law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the government or because of the informational value of data contained therein.

Section 2. The State Archives and Records Commission, hereinafter referred to in this Act as the commission, is hereby created and shall be a nine member body constituted as follows: Three members appointed by the Governor from the state-at-large, one member appointed by the Governor from a list of three persons submitted by the President of the University of Kentucky, one member appointed by the Governor from a list of three persons submitted by the President of the University of Louisville, one member appointed by the Governor from a list of five persons with one name submitted by each of the Presidents of the State Colleges, the Attorney General of the Commonwealth, and one each appointed by the Governor from a list of three persons submitted by the Kentucky Historical Society and the Filson Club respectively; provided that three of the initial appointments under this Act shall be for a term of four years, and two appointments each shall be for terms of three, two, and one years, respectively. The Governor shall designate a Chairman from among the commission membership. Vacancies shall be filled by the Governor in the same manner as initial appointments are made. All members shall serve for a term of four years. The commission shall appoint a Director of the Archives and Records Service, hereinafter referred to as the director, who shall act as secretary. The director shall not be a member of the commission nor shall he have a right to vote on commission measures. The director shall serve at the pleasure of the commission.

Section 3. Members of the commission shall serve without compensation other than actual expense of attending meetings of the commission or while in the performance of their official duties in connection with the business of the commission.

Section 4. The commission shall meet in the City of Frankfort, but the commission may, by majority vote, hold special or regular meetings in other locations when the work of the commission would be facilitated thereby. The commission shall hold not less than four meetings during each calendar year and may hold such special meetings as may be necessary to transact the business of the commission. All meetings shall be called by the director when directed by the chairman, or when requested in writing by any two members of the commission.

Section 5. (1) The commission shall establish:

(a) procedures for the compilation and submission to the Archives and Records Service of lists and schedules of public records proposed for disposal,

(b) procedures for the disposal or destruction of public records authorized for disposal or destruction, and

(c) standards for the reproduction of public records by photographic or microphotographic process,

(d) procedures for collection and distribution by the central depository of all reports and publications, except the Kentucky Revised

Statutes editions, issued by any department, board, commission, officer or other agency of the Commonwealth for general public distribution after July 1, 1958.

(2) The director shall enforce the provisions of this Act by appropriate rules and regulations.

(3) The commission shall publish the rules and regulations adopted under authority of this Act at least once in each biennium in the official journal, and make copies of such rules and regulations available to all officials affected by this Act subject to the provisions of Chapter 13 of the Kentucky Revised Statutes.

(4) It is intended that such rules and regulations be drawn in cooperation with the various state agencies and subdivisions. Such rules and regulations when approved by the commission shall be binding on all state and local agencies. The commission shall perform any acts deemed necessary, legal and proper to carry out the duties and responsibilities imposed upon it pursuant to the authority granted herein.

Section 6. In order for proper planning to be accomplished, the commission shall cause a records management survey to be conducted in accordance with the regulations issued by the commission.

Section 7. The commission is authorized to make continuing surveys of government records and records management and disposal practices and to obtain reports thereon from state and local agencies; to promote, in cooperation with the various state and local agencies, improved records management practices and controls in such agencies, including the central storage or disposition of records not needed by such agencies for their current use; and to report to the Governor semiannually. The commission shall submit a biennial report to the General Assembly.

Section 8. The Commissioner of Finance, at the request of the Commission, shall have authority to design, build, purchase, lease, maintain, operate, protect, and improve buildings or facilities, including a State Archives and Records Center Building, used for the storage of non-current records of state and local agencies. The commission shall have custody and control of all such buildings and facilities and their contents.

Section 9. There is hereby created an Archives and Records Service. A professionally qualified Director and Associate Director of the Archives and Records Service shall be appointed by the commission and shall receive such compensation for their services as is determined and fixed by the commission. The director shall have over-all administrative responsibility for the Archives and Records Service. The director may employ such personnel, purchase such equipment, and provide such facilities as may be required in the execution of the powers conferred and duties imposed upon the commission.

Section 10. The Archives and Records Service is hereby constituted the central depository for public records. It shall be the duty of all departments, boards, commissions, officers or other agencies of the Commonwealth to supply to the central depository copies of each of their reports and publications issued for general public distribution after July 1, 1958, in the number and in the manner prescribed by rule or regulation promulgated by the commission pursuant to Section 5 (1) (d) of this Act. College, university, and public libraries may be constituted depository libraries by written order of the commission. The central depository shall supply copies to such depository libraries in the number and in the manner prescribed by rule or regulation promulgated by the commission pursuant to Section 5 (1) (d) of this Act.

Section 11. The commission may from time to time appoint advisory groups to more effectively obtain the best professional thinking of the bar, historians, political scientists, accountants, genealogists, patriotic groups, and associations of public officials on the steps to be taken with regard to any particular group or type of records.

Section 12. The commission shall, with due regard to the program activities of the state and local agencies concerned, prescribe the policies and principles to be followed by state and local agencies in the conduct of their records management programs, and make provisions for the economical and efficient management of records by state and local agencies by analyzing, developing, promoting, and coordinating standards, procedures, and techniques designed to improve the management of records, to insure the maintenance and security of records deemed appropriate for preservation, and to facilitate the segregation and disposal of records of temporary value and by promoting the efficient and economical utilization of space, equipment, and supplies needed for the purpose of creating, maintaining, storing, and servicing records.

Section 13. The commission shall establish standards for the selective retention of records of continuing value, and assist state and local agencies in applying such standards to records in their custody. The director shall notify the head of any such agency of any actual, impending, or threatening unlawful removal, defacing, alteration, or destruction of records in the custody of such agency that has come to his attention, and assist the head of such agency in initiating action through the Attorney General for the recovery of such records as shall have been unlawfully removed and for such other redress as may be provided by law.

Section 14. The commission is authorized to inspect or survey the records of any state or local agency, as well as to make surveys of records management and records disposal practices in such agencies, and shall be given full cooperation of officials and employes of agencies in such inspection and surveys; provided, that records, the use of which is restricted by or pursuant to law or for reasons of security or the public interest, shall be inspected or surveyed only in accordance with law, and the rules and regulations of the commission.

Section 15. The commission is authorized to establish an interim records center or centers for the storage, processing, and servicing of records of state and local agencies pending their deposit in the State Archives and Records Center or their disposition in any other manner authorized by law, and to establish, maintain and operate centralized microfilming, photostating, indexing, de-contamination and lamination and any other records repair and rehabilitation services for state and local agencies.

Section 16. Subject to applicable provisions of law, the director shall recommend, and the commission promulgate, rules and regulations governing the transfer of records from the custody of one state or local agency to that of another.

Section 17. The commission may empower any state or local agency, upon the submission of evidence of the need therefor, to retain records for a longer period than that specified in any approved disposal schedule, or by law, but he shall report all such actions to the commission at its next meeting for approval or disapproval.

Section 18. The commission, whenever it appears to be in the public interest, is authorized: (1) To accept for deposit in the State Archives and Records Center the records of any state or local agency or of the General Assembly that are determined by the director to have sufficient historical or other value to warrant their continued preservation; (2) To direct and effect the transfer to the Archives and Records Service of any records that have been in existence for more than fifty years and that are determined by the director to have sufficient historical or other value to warrant their continued preservation, unless the head of the state or local agency which has custody of them certifies in writing to the director that they must be retained in his custody for use in the conduct of the regular current business of the said agency; (3) To direct and effect, with the approval of the head of the originating agency, or its successor, if any, the transfer of records deposited, or approved for deposit, in the State Archives and Records Center to public or educational institutions for special research or exhibit purposes; provided that title to such records shall remain vested in the Commonwealth of Kentucky unless otherwise authorized by law, and provided further such records may be recalled after reasonable notice in writing; (4) To direct and effect the transfer of materials from private sources authorized to be received by the State Archives and Records Center by the provisions of Section 22 hereunder.

Section 19. The commission shall be responsible for the custody, use, and withdrawal of records transferred to it. All papers, books, and other records of any matters so transferred are public records and shall be open to inspection by any interested person subject to reasonable rules as to time and place of inspection established by the commission; provided that whenever any records, the use of which is subject to statutory limitations and restrictions, are so transferred, the commission shall enforce such limitations. Restrictions shall not remain in effect after the records have been in existence for fifty years.

Section 20. The commission shall make provisions for the preservation, management, repair and rehabilitation, duplication and reproduction, description, and exhibition of records or related documentary material transferred to it as may be needful or appropriate, including the preparation and duplication of inventories, indexes, catalogs, and other findings, aids or guides facilitating their use.

Section 21. The director shall make such provisions and maintain such facilities as he deems necessary or desirable for servicing records in his custody that are not exempt from examination by statutory provisions or other restrictions.

Section 22. The commission is authorized, whenever it is deemed to be in the public interest, to accept for deposit: (1) The papers and other historical materials of any Governor of the Commonwealth of Kentucky, or of any other official or former official of the state or its subdivisions, and other papers relating to and contemporary with any Governor or former Governor of Kentucky, subject to restrictions agreeable to the commission and the donor; (2) Documents, including motion picture films, still pictures, sound recordings, maps, and papers, from private sources that are appropriate for preservation by the State government as evidence of its organization, functions, policies, and transactions or those of its subdivisions.

Section 23. The commission may charge a fee not in excess of 10 percent above the costs or expenses for making or authenticating copies or reproductions of materials transferred to its custody. All such fees shall be paid into a revolving fund for the continuation of such services on as self-sustaining a basis as possible. There shall be no charge for making or authenticating copies or reproductions of such materials for official use by the government of the Commonwealth of Kentucky; provided, that reimbursement may be accepted to cover the cost of furnishing such copies or reproductions that could not otherwise be furnished.

Section 24. The head of each state or local agency shall cause to be made and preserved records containing adequate and proper documentation of the organizational functions, policies, decisions, procedures, and essential transactions of the agency and designed to furnish information necessary to protect the legal and financial rights of the government and of persons directly affected by the agency's activities.

Section 25. Unless otherwise provided by law, all papers, books, and other records of any matters required by law or administrative rule to be kept by any agency, and all records arising from the exercise of functions authorized thereby, are public records and shall be open to inspection by any interested person subject to reasonable rules as to time and place of inspection established under KRS 12.080. A certified copy of any public record, subject to any such rules in effect, shall be furnished by the custodian thereof, and any person requesting it, upon the payment of such reasonable fee therefor as may be prescribed by law or by administrative rule.

Section 26. (1) Whenever the Governor, Lieutenant Governor or any state agency or subdivision or the principal officer thereof, shall have, either in whole or in part, any records or papers photographed, photostated, microphotographed, microfilmed or filmed and preserved for record in accordance with rules and regulations promulgated by the commission the original thereof may be disposed of or destroyed.

(2) Any such reproductions shall be deemed the originals of the records or papers for all purposes, and any facsimiles, certified copies or reproductions thereof, or any prints or enlargements of the reproductions shall be admissable as evidence in any court or proceeding of this Commonwealth, and shall be prima facie evidence of the facts set forth in and the contents of the original records or papers.

Section 27. Subject to rules and regulations promulgated by the commission, any state agency or subdivision may, upon a finding by the principal officer thereof that public records maintained by it are of no further value, destroy or otherwise dispose of said records. Where such destruction or other disposition is not governed by rule or regulation of the commission, approval of the commission shall be secured prior to the destruction or other disposition of the records.

Section 28. The head of each state and local agency shall establish and maintain an active, continuing program for the economical and efficient management of the records of the agency. Such program shall provide for: (1) Effective controls over the creation, maintenance, and use of records in the conduct of current business; (2) Cooperation with the Archives and Records Service in applying standards, procedures, and techniques designed to improve the management of records; (3) Promotion of the maintenance and security of records deemed appropriate for preservation, and facilitation of the segregation and disposal of records of temporary value; (4) Compliance with the provisions of this Act and the rules and regulations of the Archives and Records Commission.

Section 29. Whenever the head of a state or local agency determines that substantial economies or increased operating efficiency can be effected thereby, he shall provide for the storage, processing and servicing of records that are appropriate therefor in the records center maintained and operated by the Archives and Records Service or, when approved by the director in such location maintained and operated by the head of such agency.

Section 30. Any official who is authorized to certify to facts on the basis of records in his custody is authorized to certify to facts on the basis of records that have been transferred by him or his predecessors to the Archives and Records Service, further provided, that any fee due any official of the State or its subdivisions shall not be eliminated by this Act.

Section 31. The head of each state and local agency shall establish such safeguards against removal or loss of records as he shall deem necessary and as may be required by rules and regulations issued under authority of this Act. Such safeguards shall include making it known to all officials and employees of the agency that no records are to be alienated or destroyed except in accordance with law, and calling their attention to the penalties provided by law for the unlawful removal or destruction of records.

Section 32. The head of each state and local agency shall notify the director of the Archives and Records Service of any actual, impending or threatened unlawful removal, defacing, alteration or destruction of records in the custody of the agency that shall come to his attention, and with the assistance of the director of the Archives and Records Service shall initiate action through the Attorney General for recovery of such records as shall have been unlawfully removed and for such other redress as may be provided by law.

Section 33. Nothing in this Act shall be construed as limiting the authority of the State Auditor, or other officers charged with prescribing accounting systems, forms, or procedures or of lessening the responsibility of collecting and disbursing officers for rendering of their accounts for settlement. Nothing in this Act shall be construed as changing, modifying or affecting the present law or laws concerning confidential records of any state agency and the use thereof. All such laws remain in full force and effect.

Section 34. The Legislative Research Commission shall, unless otherwise directed by the Senate or House of Representatives obtain at the close of each session of the General Assembly all of the noncurrent records of the General Assembly and of each committee thereof and transfer them to the State Archives and Records Center for preservation.

Section 35. Section 12.140, 12.190, 12.195, 171.350, 171.360, 171.370, and 171.380 of the Kentucky Revised Statutes are hereby repealed.

SB 303, AN ACT relating to highway improvement, to be known as the Ed Warinner, J. E. Johnson, Paul Jackson, Ed J. Kelly, H. Stanley Blake, Chas. H. Davis, M. B. Fields, A. E. Cornett, L. M. Greene, D. C. Knuckles, Fred Lucas, Jerry Fonce Howell Bill.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) The Department of Highways may, as a part of its general maintenance program, make improvements in the form of some kind of all weather surface to be made to entrances to schools, churches, hospitals, public health buildings, and cemeteries, which are located without the corporate limits of any city or town, when in the discretion of the Commissioner the general health, safety and welfare of the citizens of the Commonwealth will be thereby promoted. The length of such improvement shall not exceed 750 feet and the maximum expenditure shall not exceed $2,000.

(2) The provisions of this Act shall not apply to privately owned cemeteries or those owned or operated by any individual, corporation or association for profit.

SB 307, AN ACT relating to the salaries of certain state-wide elective officials.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.480 of the Kentucky Revised Statutes is amended to read as follows:

Effective, with respect to the offices of Governor and Lieutenant Governor, on the fifth Tuesday following the regular November election in 1959, and with respect to the other offices named in this section, on the first Monday in January, 1960, the compensation of the following named officers, payable monthly out of the State Treasury, shall be the sum per annum designated for the respective offices, as follows:

Governor, $18,000.

Lieutenant Governor, an amount sufficient, when added to any per diem received during sessions of the General Assembly while serving in the capacity of President of the Senate, to equal $12,000 per annum, plus any compensation received while acting in the place of the Governor.

Attorney General, $12,000.

Superintendent of Public Instruction, $12,000.

Commissioner of Agriculture, Labor and Statistics, $12,000.

Secretary of State, $12,000.

State Treasurer, $12,000.

Auditor of Public Accounts, $12,000.

Clerk of the Court of Appeals, $12,000.

SB 308, AN ACT relating to statements required of foreign and domestic corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 271. 055 of the Kentucky Revised Statutes is amended to read as follows:

(1) The articles of incorporation in triplicate originals shall be acknowledged by at least three of the incorporators before an officer authorized by the laws of this state to take acknowledgments and the triplicate originals shall be delivered to the Secretary of State. If he finds that the articles of incorporation have been signed and acknowledged according to law, he shall, when all taxes, fees and charges have been paid as required by law, record one original in his office, and issue a certificate of incorporation. There shall be paid to the Secretary of State a fee of $3.00 for recording the articles, and a fee of $1.00 for issuing a certificate of incorporation.

(2) The certificate of incorporation together with the remaining original articles of incorporation, endorsed with the fact and time of recording in the office of the Secretary of State, shall be returned to incorporators or their representative. One original shall then be filed with and recorded by the clerk of the county court of the county in which the registered office of the corporation is situated, and the other shall be retained by the corporation. The clerk of the county court shall be paid a fee of $3.00 for recording said articles.

(3) No foreign corporation, except a foreign insurance company, shall be authorized to do business in this state until it has filed a certified copy of its articles of incorporation and all existing amendments in the office of the Secretary of State. It shall thereafter file a certified copy of subsequent amendments to its articles in the office of the Secretary of State. Such corporations shall pay to the Secretary of State an original filing fee of $25.00 and a recording fee of $10.00 for recording the articles of incorporation and accompanying amendments, and shall pay the same recording fee for recording subsequent amendments.

(4) A copy of any articles of incorporation and all amendments thereto of both domestic and foreign corporations as recorded in the office of the Secretary of State, under the certificate and seal of that office, shall be accepted as evidence in any court for any purpose in any action in which the original could be used. For furnishing a certified copy of the record to any party, the Secretary of State shall charge the same fee to be charged for the recordation of that instrument.

Section 2. Section 271.385 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every domestic corporation shall maintain an office in this state to be known as its registered office and shall have an authorized agent upon whom process can be served. The location and postoffice address of the original registered office, and the name and address of the original agent, shall be stated in the articles of incorporation as provided in subsection (1) of KRS 271.035.

(2) Every foreign corporation, except foreign insurance companies, carrying on business in this state, shall at all times have an office in this state and an authorized agent in this state upon whom process can be served. A statement, signed by the president or secretary of the corporation, giving the location and postoffice address of the office and the name and address of the agent, shall be filed with the Secretary of State at the same time the certified copy of the articles of incorporation is filed as provided in subsection (3) of KRS 271.055.

(3) When any change is made in the location and postoffice address of the registered office of a domestic corporation, or of the Kentucky office of a foreign corporation, or in the name or address of the process agent of any corporation, the corporation shall at once file with the Secretary of State a statement of the change. The former agent shall remain agent for the purpose of service of process until a statement designating the new agent is filed.

(4) The Secretary of State shall charge a fee of $5.00 for the filing of each statement mentioned in subsections (2) and (3) of this section.

(5) Every domestic corporation shall, in June of each year, file with the Secretary of State a statement verifying the correctness of the location and postoffice address of its registered office and the name of its agent designated for the service of process, and pay a fee of $2.00. If the statement is not filed in June of each year the Secretary of State shall mail notice to the corporation as a warning that its certificate of incorporation will be revoked if the statement of verification is not filed within two years after mailing of the notice. If the statement is not then filed within two years, the Secretary of State shall revoke the certificate of incorporation and mail notice thereof to the corporation at its registered office.

(6) Every foreign corporation shall, in June of each year, file a statement of existence with the Secretary of State in such form and containing such information as may be prescribed by him, and pay a fee of $4.00. The statement of existence shall also contain a statement verifying the correctness of the location and postoffice address of the corporation's office and the name of its agent designated for the service of process. If the statement is not filed in June of each year the Secretary of State shall mail notice to the corporation as a warning that its right to do business in this state will automatically cease if the statement of existence is not filed within thirty days after mailing of the notice. If the statement is not then filed within thirty days, the

Secreary of State shall record the fact of such cessation of right and mail notice thereof to the corporation at its last known place of business in Kentucky.

(7) The agent for service of process provided for in this section may be either an individual resident of this state, or a corporation authorized to transact business in this state and authorized by its articles or certificate of incorporation to act as such an agent. Service of process upon a corporate agent, as such agent, may be had by delivering a copy of the process to the president, a vice-president, the secretary, or an assistant secretary of such corporate agent.

SB 309, AN ACT relating to parks, playgrounds and recreation centers in cities, counties and school districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 97.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) The acquisition, development, maintenance and operation of parks, playgrounds and recreation centers is a proper municipal purpose for all cities and counties. The legislative body of any city or the fiscal court of any county may dedicate for use as parks, playgrounds and recreation centers any lands or buildings owned or leased by the city or county and not devoted to an inconsistent public use and may acquire real property for such purposes by purchases, lease, condemnation or otherwise, at any place reasonably accessible to the inhabitants of the city or county and either within or without the boundaries of the city or the county.

(2) Any two or more cities, or any city and county, may jointly establish, maintain and conduct a park and recreation system. Any school district may join with any city or county in providing and conducting public parks, playgrounds and recreation centers.

Section 2. Section 97.020 of the Kentucky Revised Statutes is amended to read as follows:

The legislative body of any city or the fiscal court of any county may establish a park, playground and recreation system and may vest the power to provide, maintain and conduct parks, playgrounds and recreation centers in a park board, board of education, playground and recreation board or other existing board. Any board so designated may maintain and equip parks, playgrounds and recreation centers and the buildings thereon, and may employ trained and qualified park superintendents, playground directors, supervisors, recreation superintendents or other officers and employes as it deems proper.

Section 3. Section 97.030 of the Kentucky Revised Statutes is amended to read as follows:

If the legislative body of any city or fiscal court of any county determines that the power to provide, conduct and maintain parks, playgrounds and recreation centers shall be exercised by a playground and recreation board, or a parks, playground and recreation board, the legislative body of the city or fiscal court may, by resolution or ordinance, establish a playground and recreation board, or a parks, playground and recreation board, which shall possess all the powers and be subject to all the responsibilities of KRS 97.010 to 97.050. The board shall consist of five persons to be appointed by the mayor or county judge, to serve for terms of four years and until their successors are appointed, except that the members first appointed shall be one for one year, one for two years, one for three years and two for four years. Vacancies shall be filled in the same manner as original appointments and for the unexpired term.

Section 4. (1) If two or more political subdivisions determine to jointly establish, maintain and conduct a park and recreation system, the legislative bodies of such counties, cities or other districts involved may by ordinance, order or resolution approve a plan for the establishment of such joint project and for the creation of a joint board representative of the subdivisions involved, and possessed with all the powers and duties of KRS 97.010 to 97.050.

(2) Such board shall consist of not less than five members. The plan shall provide for distribution of membership and all participating governmental units shall have representation thereon. The members of the board shall be appointed by the county judge, mayor of the city or governing body of the district, as the case may be, for terms of four years to serve at the pleasure of the appointing authority. Vacancies shall be filled for unexpired terms by appointment of the authority appointing the member whose office is vacant. The terms of office of such members shall be staggered as provided by order or resolution of the political subdivisions concerned. Members of the board shall serve without compensation but shall be reimbursed for necessary expenses incurred in the performance of their duties.

(3) The board shall be a body corporate for all purposes, shall elect from its membership a chairman, secretary and treasurer. The treasurer shall execute a bond conditioned on the faithful performance of his duties sufficient in amount to cover funds coming into his hands. The premium on such bond shall be paid from board funds.

(4) Any park, playground or recreation system operated jointly by two or more political subdivisions as provided in KRS 97.010 (2) when this Act becomes effective, shall be governed by this Section.

Section 5. Section 97.040 of the Kentucky Revised Statutes is amended to read as follows:

Any authority in which is vested the power to provide, conduct and maintain parks, playgrounds and recreation centers under KRS 97.020 of Section 3 of this Act, may accept any grant or devise of real estate or any bequest or gift of money or any donation, the principal or income of which is to be used for park, playground or recreation purposes. Money received for such purposes shall, unless otherwise provided by the terms of the bequest, be deposited with the treasurer or department of finance of the city or with the county treasurer or treasurer of the joint board to the account of the authority having charge of such parks, playgrounds and recreation centers and may be withdrawn and paid out in the same manner as money appropriated for recreational purposes.

Section 6. Section 97.050 of the Kentucky Revised Statutes is amended to read as follows:

Whenever the legislative body of any city or the fiscal court of any county or one of them in conjunction with a school district establishes a supervised park, playground and recreation system as provided in KRS 97.010 to KRS 97.040, or jointly, as provided in Section 4 of this Act, the legislative body or the fiscal court or other authority participating may appropriate money out of the general fund of the city or county or other authority for the purpose of expanding, equipping, maintaining and operating such park, playground or recreation center.

Section 7. Section 97.055 of the Kentucky Revised Statutes is amended to read as follows:

For the purpose of establishing or acquiring parks, playgrounds and recreation centers, and appurtenances thereto, a playground and recreation board or a board, as provided in KRS 97.030 or Section 4 of this Act, shall have the same authority to issue revenue bonds granted to cities by KRS 97.150 to 97.240 and all of the provisions of said section shall be applicable in the case of issuance of revenue bonds by such boards.

Section 8. There is hereby created in the Department of Conservation a Division of Recreation. The division shall consist of a State Recreation Board, a director and such other officers, employes and agents as the division, subject to the Commissioner of Conservation, may deem necessary for carrying out the functions of the division.

Section 9. (1) It shall be the function of the division, through the State Recreation Board and the director, to make a study of parks, playgrounds and recreational systems conducted by the counties, cities and other political subdivisions of the Commonwealth, problems of trained personnel, educational activities and activities suitable to the various age groups, the handicapped, financing, facilities and participation by citizens and other civic or public service organizations, and to promote and assist in the establishing, improving and expanding of such systems.

(2) The division shall conduct an annual state-wide conference or workshop designed to make available to counties, cities and other political subdivisions, or other interested groups, the results of its study

as well as the knowledge and experience of national leaders in such programs.

Section 10. (1) The State Recreation Board shall consist of seven members appointed by the Governor, one for a term of one year, two for two years, two for three years and two for four years. At the expiration of such terms appointments shall be made for terms of four years. Vacancies shall be filled by appointment for the unexpired term. Members of the board shall serve at the pleasure of the Governor. The State Recreation Board shall act in an advisory capacity to the Commissioner of Conservation.

(2) Members of the board shall elect a chairman and secretary from its membership and shall keep records of all official actions. A majority of the board shall constitute a quorum. Members of the board shall serve without compensation but shall be reimbursed for necessary expenses incurred in the performance of their duties.

Section 11. The Commissioner of Conservation with the approval of the board shall appoint a director, with a background of experience in the field of recreation and having an appreciation of the problems confronted in the establishing of parks, playgrounds or recreation centers, who shall serve as executive officer for the board. The director shall serve at the pleasure of and receive such compensation as may be determined by the Commissioner. In addition to other duties assigned to him by the commissioner, general administrative supervision over all activities, employes and property of the division.

SB 310, AN ACT relating to courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) No court in the Commonwealth of Kentucky shall have the power or authority to enter an order filing away in a criminal proceeding except upon the express consent of the accused. When such order is entered it shall affirmatively state that it was entered with such consent.

(2) No case may be reinstated if one year or more has elapsed from the date of entering the order filing away the proceeding.

SB 315, AN ACT relating to economic development.

WHEREAS, there currently exists in certain areas of the Commonwealth the need for an increased number of industrial enterprises so as to bring about more beneficial utilization of human resources, and the products of our mines, forests, farms, industries and other resources;

WHEREAS, it is a proper responsibility of State Government to assist and encourage in every way possible, compatible with the principles of free enterprise, the development and expansion of business and industry, by which may be provided enlarged employment opportunities and a higher standard of living for the people of this Commonwealth;

WHEREAS, the device under which private community industrial development organizations in Kentucky acquire and improve industrial sites and acquire and build industrial buildings with funds raised through popular subscription, mortgage borrowing or otherwise, for lease and sale to new and expanding industries has proven effective in creating new employment and business opportunities locally, is in accord with the American tradition of community initiative and enterprise, and requires and deserves encouragement and support from the Commonwealth;

WHEREAS, by increasing the number of community industrial sites and building projects presenting attractive opportunities for private investment in such areas, a larger portion of the private capital available in Kentucky for investment can be put to use in the general economic development of the Commonwealth;

WHEREAS, existing programs for the economic development of the Commonwealth may be made more effective through the establishment of a source of intermediate venture capital to bridge the gap between funds available from banks and other private lending institutions, on the one hand, and from local development organizations, on the other hand;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be known as the Industrial Development Finance Act.

Section 2. It is the purpose of this Act to promote the health, safety, morals, right to gainful employment, business opportunities and general welfare of the inhabitants of the Commonwealth by the creation of a body corporate and politic to be known as the "Industrial Development Finance Authority" which shall exist and operate for the public purpose of alleviating unemployment and furthering the utlization of natural and manmade resources by the promotion and development of industrial and manufacturing enterprises in local communities of the Commonwealth. Such purposes are hereby declared to be public purposes for which public money may be spent.

Section 3. As used in this Act unless the context requires otherwise:

(a) "Authority" means the Industrial Development Finance Authority;

(b) "Local development agency" means any incorporated organization, foundation, association or agency, regardless of the particular name, to whose members or shareholders no profit enures, and which has as its primary function the promotion, encouragement and development of industrial and manufacturing enterprises;

(c) "Industrial building project" means any site, structure, facility or undertaking comprising or being connected with or being a part of an industrial or manufacturing enterprise established or to be established by a local development agency; and

(d) "Industrial subdivision project" means any tract of land not less than fifty acres, located within or near the corporate limits of a city, together with utilities, services, and access roads, to be acquired by a local development agency and sold or leased to one or more manufacturing enterprises.

Section 4. (1) There shall be an Industrial Development Finance Authority in the state government which shall be an agency independent of the Executive Branch.

(2) The Authority shall consist of the Lieutenant Governor who shall be the chairman, the Commissioner of Banking, the Commissioner of Economic Development, the Commissioner of Economic Security, and the Commissioner of Finance, and three additional members appointed by the Governor, one each to be appointed from lists of nominees submitted by the Kentucky State Banker's Association and the Kentucky Chamber of Commerce, and a third to be a Kentucky member in good standing of the National Association of Securities Dealers.

(3) The members initially appointed by the Governor shall be appointed for terms of two, three and four years, respectively, from the date of their appointment and until their respective successors shall be duly appointed and qualified, the term of each appointed member to be designated by the Governor at the time of his appointment. Their successors shall each be appointed for a term of four years, except that any person appointed to fill a vacancy shall serve only for the unexpired term. Any appointed member of the Authority shall be eligible for reappointment.

(4) Members of the Authority shall be entitled to no compensation for their services as members, but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

Section 5. (1) A majority of the members shall constitute a quorum for the purpose of organizing the Authority and conducting the business thereof, and, except in the instance of applications for financial assistance, all action may be taken by a vote of a majority of the members present, except where regulations of the Authority prescribe a larger number. Approval or rejection of loan applications shall be by a majority vote of the full membership of the Authority.

(2) The Authority is authorized to make reimbursement to any

agency of the Commonwealth for such special expenses as may be incurred in the provision of any services or the use of any facilities required by the Authority.

Section 6. The Authority may exercise all powers necessary or appropriate to carry out and effectuate the purposes of this Act, including the following powers, in addition to others herein granted:

(a) To cooperate with local development agencies in their efforts to promote the expansion of industrial and manufacturing activity;

(b) To conduct hearings and other methods of examination and to authorize any of its members to do so on any matter material for its information and necessary to the determination of the feasibility of industrial building and industrial subdivision projects;

(c) Accept gifts or grants from any source, and to enter into contracts or other transactions with any federal agency;

(d) To make contracts of every nature and to execute all instruments necessary or convenient for the carrying on of its business;

(e) To take title by foreclosure to any industrial building project where such acquisition is necessary to protect any loan previously made therefor by the Authority and to sell, transfer and convey any such industrial building project to any responsible buyer. In the event such sale, transfer and conveyance cannot be effected with reasonable promptness, the Authority may in order to minimize financial losses and sustain employment, lease such industrial building project to a responsible tenant or tenants;

(f) To take title by foreclosure to any industrial subdivision project where acquisition is necessary to protect any loan previously made therefor by the Authority and to sell, transfer, and convey any such industrial subdivision project to any responsible buyer, including the Commonwealth of Kentucky;

(g) To adopt, use and alter at will a corporate seal;

(h) To appoint officers, agents and employes and to prescribe their duties and to fix their compensation, within the limitations provided by law; and

(i) To promulgate reasonable regulations for the administration of this Act.

Section 7. The Authority shall make such examinations as are necessary to determine the financial soundness and feasibility of an industrial building or industrial subdivision project. Such determination shall be a prerequisite to granting of any loan to a local development agency.

Section 8. The Authority shall promulgate regulations governing its proceedings and its determinations of eligibility for loans. Such regulations shall be based on transportation facilities, available utilities, existing industrial land, zoning, real estate prices, labor supply, unused natural resources, capital available for investment, and other relevant considerations. Regulations governing applications shall obtain full disclosure of financing plans and evidence that establishment of a new industrial subdivision will not be competitive with an existing, improved subdivision or that establishment of a new industrial building project will not cause an existing facility to relocate. Regulations governing the granting of loans shall be based on the expressed purposes of this Act and shall be such as to reasonably protect the loan by the Authority.

Section 9. (1) Any local development agency may apply to the Authority for assistance in an industrial building or industrial subdivision project. Applications shall be made in a manner prescribed by regulations of the Authority.

(2) The Authority shall hold such hearings and examinations as to each application as shall be necessary to determine whether the public purposes of this Act will be accomplished by granting financial assistance to such applicants.

Section 10. When it has been determined by the Authority that the establishment of a particular industrial building project has accomplished or will accomplish the public purposes of this Act, the Authority may contract to loan such local development agency an amount not in excess of thirty percent of the cost or estimated cost of such industrial building project, as established or to be established. However, no industrial building project loan shall be made by the Authority to a local development agency until such agency has furnished proof of its inability to obtain from banks, insurance companies and other private lending agencies funds at the going cost of such money in amounts sufficient to enable the agency to finance the project without the assistance of the Authority.

Section 11. Before granting loans on industrial building projects not yet established the Authority shall first determine (a) that the local development agency holds funds in an amount equal to, or property of a value equal to, not less than twenty percent of the estimated cost of establishing the industrial building project, which funds or property are available for and shall be applied to the establishment of such project, and (b) that the local development agency has obtained from other independent and responsible sources, such as banks and insurance companies or otherwise, a firm commitment for all other funds, over and above the loan of the Authority and such funds or property as the local development agency may hold, necessary for payment of all the estimated cost of establishing the industrial building project, and (c) that the sum of all these funds, together with the machinery and equipment to be provided by the responsible tenant or responsible buyer is adequate to insure completion and operation of the plant or facility.

Section 12. Before granting loans on industrial building projects already established, the Authority shall determine (a) that the local development agency has expended funds in an amount equal to, or has applied property of a value equal to, not less than twenty percent of the cost of establishing the industrial building project, and (b) that the local development agency obtained from other independent and responsible sources such as banks and insurance companies or otherwise, other funds necessary for payment of all the cost of establishing the industrial building project, and (c) that the local development agency participation and these funds, together with the machine and equipment provided by the responsible tenant or responsible buyer, has been adequate to insure completion and operation of the plant or facility. The proceeds of any loan made by the Authority to the local development agency pursuant to this Section shall be used only for the establishment of additional industrial building projects in furtherance of the public purposes of this Act. Loans by the Authority under this Section shall not exceed the total investment of the local development agency.

Section 13. When it has been determined by the Authority that the establishment of a particular industrial subdivision project of such local development agency will accomplish the public purposes of this Act, the Authority may contract to loan such local development agency an amount not in excess of fifty percent of the cost or the estimated cost of such industrial subdivision project to be established.

Section 14. Before granting loans on industrial subdivision projects not yet established the Authority shall first determine (a) that the local development agency holds funds or property or has obtained from other independent and responsible sources, such as banks and insurance companies and otherwise, a firm commitment for funds whose combination is equal to not less than fifty percent of the estimated cost of establishing the industrial subdivision project, and (b) that the sum of these funds and the loan made by the Authority is adequate to acquire clear title to the land to be used for the industrial subdivision project and to pay the costs incurred to provide it with such utilities, access roads and other facilities as to make it attractive as a site for one or more manufacturing enterprises.

Section 15. Every loan of the Authority shall be for such period of time and shall bear interest at such rate as shall be determined by the Authority and shall be secured by bond of the local development agency and by mortgage on the industrial building or industrial subdivision project for which such loan was made.

Section 16. When any Federal agency participates in the financing of an industrial building project by loan, grant or otherwise of Federal funds, the Authority may adjust the required ratios of financial participation by the local development agency, the source of independent funds, and the Authority in such manner as to insure the maximum benefit available to the local development agency, the Authority, or both, by the participation of the Federal agency. No such adjustment of such ratios shall cause the Authority to grant a loan to the local development agency in excess of thirty percent of the cost or estimated cost of the industrial building project.

Section 17. (1) There shall be a special revolving trust and agency fund in the Treasury of the Commonwealth to be known as the Industrial Development Finance Fund to which shall be accredited all funds appropriated by the General Assembly to the Authority and all funds obtained from other sources, and all other deposits and repayments, both principal and interest, involved in administration of this Act.

(2) All loans to local development agencies and all costs of administration of this Act shall be paid out of this Fund. Payments shall be made in the same manner as other state expenditures, except that they shall be subject to the approval of the Department of Finance only as to availability of funds.

(3) At any time that the Authority determines that monies in the fund are in excess of the amount needed by the Authority to carry out the purposes of this Act, the Authority shall take such action as shall be required to release such excess from the fund and transfer the same to the appropriate fund of the State Treasury.

Section 18. No member of the Authority or officer or employe thereof shall either directly or indirectly be a party to or be in any manner interested in any contract or agreement with the Authority for any matter, cause or thing whatsoever by reason whereof any liability or indebtedness shall in any way be created against such Authority. If any contract or agreement shall be made in violation of the provisions of this Section the same shall be null and void and no action shall be maintained thereon against such Authority.

Section 19. (1) The Authority may negotiate with other agencies of the state government to obtain the use of monies which such agencies are authorized to invest in government obligations. Funds so negotiated shall be transferred on an interaccount basis to the Industrial Development Fund and shall be deemed to be investments in obligations of the Authority and not of local development agencies. The Authority may also negotiate with the State Property and Buildings Commission for the issuance and sale of revenue or other authorized bonds in accordance with the methods prescribed in KRS 56.520 for the purposes of this Act.

Nothing in this Act shall be construed to give the Authority power to pledge the credit or taxing power of the Commonwealth or any of its political subdivisions, nor shall any of the Authority's obligations be deemed to be obligations of the Commonwealth or any of its political subdivisions.

SB 318, AN ACT relating to running races.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 230.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) An association formed for the purpose of racing and breeding or improving the breed of horses and conducting contests of speed may hold one or more running race meetings between April 1 and December 1 of each year.

(2) At such meetings the association or the owners of the horses engaged in the races, or others that are not participants in the racing, may contribute prizes or stakes to be contested for, but no person other than the owner of a horse contesting in a race shall have any pecuniary interest in a prize or stake contested for in that race, or be entitled to, or receive any portion of the prize or stake after the race has been finished. The whole of the prize or stake shall be allotted in accordance with the terms of the race.

(3) Running races may be held only between sunrise and midnight.

SB 319, AN ACT relating to investment of funds by the board of trustees of state employes and county retirement systems.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 61.650 of the Kentucky Revised Statutes is amended to read as follows:

Section 1. The board shall be the trustee of the several funds created by KRS 61.510 to 61.700. It shall have power to invest up to seventy-five percent in:

(a) United States Government bonds for which the faith of the United States of America is pledged for the payment of the interest and principal;

(b) Obligations of the Commonwealth of Kentucky and obligations of its departments and agencies, including revenue bonds when the full faith of the Commonwealth is pledged for the payment of interest and principal.

Section 2. The board may invest up to twenty-five percent of the assets of the retirement system's funds available for investment purposes in building revenue bonds legally issued by school districts for which payments of interest and principal are properly pledged.

Section 3. The board may invest in bonds issued by corporations organized under the laws of the United States or of any state in the United States, or of the District of Columbia, when such bonds have a rating of the highest or next highest classification made by a nationally recognized major rating service, but no more than twenty-five percent of the assets of the retirement system available for investment purposes shall be so invested.

Section 4. The board shall have full power to hold, purchase, sell, assign, transfer or dispose of, any of the securities or investments in which any of the funds created herein have been invested, as well as of the proceeds of such investments and any monies belonging to such funds. At the maturity date of any securities or investments now held, the proceeds shall be invested according to the provisions of this Act. No investment of retirement system funds shall be made unless authorized by resolution adopted by the board.

Section 5. There is hereby created a new section of the Kentucky Revised Statutes which shall read as follows:

The board of trustees of any county retirement system may invest any funds available for investment purposes in the same manner as provided for in investment of such funds by the Kentucky Employes Retirement System.

SB 321, AN ACT relating to insurance and providing that state agencies may purchase motor vehicle and aircraft insurance to cover state employees in the discharge of official duty.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any state agency, as defined in Chapter 12 of the KRS, may in its discretion, for the protection of the public and its employees, expend state funds to purchase policies of insurance of all kinds deemed advisable covering vehicles and aircraft owned by the state and operated by state employees when in the conduct of official business. The Commissioner of Insurance, upon recommendation of the Commissioner of Finance, shall initiate and be responsible for the purchase of a blanket liability insurance policy to cover the officers and employees of the several state agencies and shall determine, by regulation, the policy limits that shall be applicable to the persons covered in each such affected agency not to exceed the limit prescribed in KRS 44.070.

Section 2. Nothing containing herein shall be construed to be a waiver of sovereign immunity and claims against the Commonwealth, its agencies, officers, employees, or insurers may be asserted only in the manner set forth in KRS 44.070 to 44.160.

Section 3. Policies authorized by this Act shall be purchased only from insurers authorized to do business in this state and shall be countersigned by a licensed resident agent.

Section 4. Whereas, the many state officers and employees without liability insurance who are operating state vehicles are wholly without liability protection, an immediate need for authorization to be made available for the purchase of such insurance, an emergency is declared to exist and this Act shall take effect upon its passage and approval by the Governor.

SB 326, AN ACT relating to rights of newsmen.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No person shall threaten, strike, beat, wound or assault a news reporter or news photographer engaged in the pursuit of his occupation in a public place or gathering, or damage the equipment of a news photographer, or in any other way impede the seeking or gathering of news by violence or threatened violence.

Section 2. Any person who violates this Act shall be imprisoned for not less than six months nor more than twelve months, and fined not more than one thousand dollars.

SB 329, AN ACT proposing an Interstate Compact on Juveniles.

WHEREAS, juveniles who are not under proper supervision and control, or who have absconded, escaped or run away, are likely to endanger their own health, morals and welfare, and the health, morals and welfare of others; and

WHEREAS, the cooperation of this state with other states is necessary to provide for the welfare and protection of juveniles and of the people of this state; and

WHEREAS, it should therefore be the policy of this state, in adopting the Interstate Compact on Juveniles to cooperate fully with other states: (1) in returning juveniles to such other states whenever their return is sought; and (2) in accepting the return of juveniles whenever a juvenile residing in this state is found or apprehended in another state and in taking all measures to initiate proceedings for the return of such juveniles,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The Governor is hereby authorized and directed to execute a compact on behalf of this state with any other state or states legally joining therein in the form substantially as follows:

INTERSTATE COMPACT ON JUVENILES

The contracting states solemnly agree:

ARTICLE I—Findings and Purposes

That juveniles who are not under proper supervision and control, or who have absconded, escaped or run away, are likely to endanger their own health, morals and welfare, and the health, morals and welfare of others. The cooperation of the states party to this compact is therefore necessary to provide for the welfare and protection of juveniles and of the public with respect to (1) cooperative supervision of delinquent juveniles on probation or parole; (2) the return, from one state to another, of delinquent juveniles who have escaped or absconded; (3) the return, from one state to another, of non-delinquent juveniles who have run away from home; and (4) additional measures for the protection of juveniles and of the public, which any two or more of the party states may find desirable to undertake cooperatively. In carrying out the provisions of this compact the party states shall be guided by the non-criminal reformative and protective policies which guide their laws concerning delinquent, neglected or dependent juveniles generally. It shall be the policy of the states party to this compact to cooperate and observe their respective responsibilities for the prompt return and acceptance of juveniles and delinquent juveniles who become subject to the provisions of this compact. The provisions of this compact shall be reasonably and liberally construed to accomplish the foregoing purposes.

ARTICLE II.—Existing Rights and Remedies

That all remedies and procedures provided by this compact shall be in addition to and not in substitution for other rights, remedies and procedures, and shall not be in derogation of parental rights and responsibilities.

ARTICLE III—Definitions

That, for the purpose of this compact, "delinquent juvenile" means any juvenile who has been adjudged delinquent and who, at the time of the provisions of this compact are invoked, is still subject to the jurisdiction of the court that has made such adjudication or to the jurisdiction or supervision of an agency or institution pursuant to an order of such court; "probation or parole" means any kind of conditional release of juveniles authorized under the laws of the states party hereto; "court" means any court having jurisdiction over delinquent, neglected or dependent children; "state" means any state, territory or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico; and "residence" or any variant thereof means a place at which a home or regular place of abode is maintained.

ARTICLE IV—Return of Runaways

(a) That the parent, guardian, person or agency entitled to legal custody of a juvenile who has not been adjudged delinquent but who has run away without the consent of such parent, guardian, person or agency may petition the appropriate court in the demanding state for the issuance of a requisition for his return. The petition shall state the name and age of the juvenile, the name of the petitioner and the basis of entitlement to the juvenile's custody, the circumstances of his running away, his location if known at the time application is made, and such other facts as may tend to show that the juvenile who has run away is endangering his own welfare or the welfare of others and is not an emancipated minor. The petition shall be verified by affidavit, shall be executed in duplicate, and shall be accompanied by two certified copies of the document or documents on which the petitioner's entitlement to the juvenile's custody is based, such as birth certificate, letter of guardianship, or custody decrees. Such further affidavits and other documents as may be deemed proper may be submitted with such petition. The judge of the court to which this application is made may hold a hearing thereon to determine whether for the purpose of this compact the petitioner is entitled to the legal custody of the juvenile, whether or not it appears that the juvenile has in fact run away without consent, whether or not he is an emancipated minor, and whether, or not it is in the best interest of the juvenile to compel his return to the state. If the judge determines, either with or without a hearing, that the juvenile should be returned, he shall present to the appropriate court or to the executive authority of the state where the juvenile is alleged to be located a written requisition for the return of such juvenile. Such requisition shall set forth the name and age of the juvenile, the determination of the court that the juvenile has run away without the consent of a parent, guardian, person or agency entitled to his legal custody, and that it is in the best interest and for the protection of such juvenile that he be returned. In the event that a proceeding for the adjudication of the juvenile as a delinquent, neglected or dependent juvenile is pending in the court at the time when such juvenile runs way, the court may issue a requisition for the return of such juvenile upon its own motion, regardless of the consent of the parent, guardian, person or agency entitled to legal custody, reciting therein the nature and circumstances of the pending proceeding. The requisition shall in every case be executed in duplicate and shall be signed by the judge. One copy of the requisition shall be filed with the compact administrator of the demanding state, there to remain on file subject to the provisions of law governing records of such court. Upon the receipt of a requisition demanding the return of a juvenile who has run away, the court or the executive authority to whom the requisition is addressed shall issue an order to any peace officer or other appropriate person directing him to take into cutody and detain such juvenile. Such detention order must substantially recite the facts necessary to the validity of its issuance hereunder. No juvenile detained upon such order shall be delivered over to the officer whom the court demanding him shall have appointed to receive him, unless he shall first be taken forthwith before a judge of a court in the state, who shall inform him of the demand made for his return, and who may appoint counsel or guardian ad litem for him. If the judge of such court shall find that the requisition is in order, he shall deliver such juvenile over to the officer whom the court demanding him shall have appointed to receive him. The judge, however may fix a reasonable time to be allowed for the purpose of testing the legality of the proceeding.

Upon reasonable information that a person is a juvenile who has run away from another state party to this compact without the consent of a parent, guardian, person or agency entitled to his legal custody, such juvenile may be taken into custody without a requisition and brought forthwith before a judge of the appropriate court who may appoint counsel or guardian ad litem for such juvenile and who shall determine after a hearing whether sufficient cause exists to hold the person, subject to the order of the court, for his own protection and welfare, for such a time not exceeding 90 days as will enable his return to another state party to this compact pursuant to a requisition for his return from a court of that state. If, at the time when a state seeks the return of a juvenile who has run away, there is pending in the state wherein he is found any criminal charge, or any proceeding to have him adjudicated a delinquent juvenile for an act committed in such state, or if he is suspected of having committed within such state a criminal offense or an act of juvenile delinquency, he shall not be returned without the consent of such state until discharged from prosecution or other form of proceeding, imprisonment, detention or supervision for such offense or juvenile delinquency. The duly accredited officers of any state party to this compact, upon the establishment of their authority and the identity of the juvenile being returned, shall be permitted to transport such juvenile through any and all states party to this compact, without interference. Upon his return to the state from which he ran away, the juvenile shall be subject to such further proceedings as may be appropriate under the laws of that state.

(b) That the state to which a juvenile is returned under this Article shall be responsible for payment of the transportation costs of such return.

(c) That "juvenile" as used in this Article means any person who is a minor under the law of the state of residence of the parent, guardian, person or agency entitled to the legal custody of such minor.

ARTICLE V—Return of Escapees and Absconders

(a) That the appropriate person or authority from whose probation or parole supervision a delinquent juvenile has absconded or from whose institutional custody he has escaped shall present to the appropriate court or to the executive authority of the state where the delinquent juvenile is alleged to be located a written requisition for the return of such delinquent juvenile. Such requisition shall state the name and age of the delinquent juvenile, the particulars of his adjudication as a delinquent juvenile, the circumstances of the breach of the terms of his probation or parole or of his escape from an institution or agency vested with his legal custody or supervision, and the location of such delinquent juvenile, if known, at the time the requisition is made. The requisition shall be verified by affidavit, shall be executed in duplicate, and shall be accompanied by two certified copies of the judgment, formal adjudication, or order of commitment which subject such delinquent juvenile to probation or parole or to the legal custody of the institution or agency concerned. Such further affidavits and other documents as may be deemed proper may be submitted with such requisition. One copy of the requisition shall be filed with the compact administrator of the demanding state, there to remain on file subject to the provisions of law governing records of the appropriate court. Upon the receipt of a requisition demanding the return of a delinquent juvenile who has absconded or escaped, the court or the executive authority to whom the requisition is addressed shall issue an order to any peace officer or other appropriate person directing him to take into custody and detain such delinquent juvenile. Such detention order must substantially recite the facts necessary to the validity of its issuance hereunder. No delinquent juvenile detained upon such order shall be delivered over to the officer whom the appropriate person or authority demanding him shall have appointed to receive him, unless he shall first be taken forthwith before a judge of an appropriate court in the state, who shall inform him of the demand made for his return and who may appoint counsel or guardian ad litem for him. If the judge of such court shall find that the requisition is in order, he shall deliver such delinquent juvenile over to the officer whom the appropriate person or authority demanding him shall have appointed to receive him. The judge, however, may fix a reasonable time to be allowed for the purpose of testing the legality of the proceeding.

Upon reasonable information that a person is a delinquent juvenile who has absconded while on probation or parole, or escaped from an institution or agency vested with his legal custody or supervision in any state party to this compact, such person may be taken into custody in any other state party to this compact without a requisition. But in such event he must be taken forthwith before a judge of the appropriate court, who may appoint counsel or guardian ad litem for such person and who shall determine, after a hearing, whether sufficient cause exists to hold the person subject to the order of the court for such a time, not exceeding 90 days, as will enable his detention under a detention order issued on a requisition pursuant to this Article. If, at the time when a state seeks the return of a delinquent juvenile who has either absconded while on probation or parole or escaped from an institution or agency vested with his legal custody or supervision, there is pending in the state wherein he is detained any criminal charge or any proceeding to have him adjudicated a delinquent juvenile for an act committed in such state, or if he is suspected of having committed within such state a criminal offense or an act of juvenile delinquency, he shall not be returned without the consent of such state until discharged from prosecution or other form of proceeding, imprisonment, detention or supervision for such offense or juvenile delinquency. The duly accredited officers of any state party to this compact, upon the establishment of their authority and the identity of the delinquent juvenile being returned, shall be permitted to transport such delinquent juvenile through any and all states party to this compact, without interference. Upon his return to the state from which he escaped or absconded, the delinquent juvenile shall be subject to such further proceedings as may be appropriated under the laws of that state.

(b) That the state to which a delinquent juvenile is returned under this Article shall be responsible for payment of the transportation costs of such return.

ARTICLE VI—Voluntary Return Procedure

That any delinquent juvenile who has absconded while on probation or parole, or escaped from an institution or agency vested with his legal custody or supervision in any state party to this compact, and any juvenile who has run away from any state party to this compact, who is taken into custody without a requisition in another state party to this compact under the provisions of Article IV (a) or of Article V (a), may consent to his immediate return to the state from which he absconded, escaped or ran away. Such consent shall be given by the juvenile or delinquent and his counsel or guardian ad litem if any, by executing or subscribing a writing, in the presence of a judge of the appropriate court, which states that the juvenile or delinquent juvenile and his counsel or guardian ad litem, if any, consent to his return to the demanding state. Before such consent shall be executed or subscribed, however, the judge, in the presence of counsel or guardian ad litem, if any, shall inform the juvenile or delinquent juvenile of his rights under this compact. When the consent has been duly executed, it shall be forwarded to and filed with the compact administrator of the state in which the court is located and the judge shall direct the officer having the juvenile or delinquent juvenile in custody to deliver him to the duly accredited officer or officers of the state demanding his return, and shall cause to be delivered to such officer or officers a copy of the consent. The court may, however, upon the request of the state to which the juvenile or delinquent juvenile is being returned, order him to return unaccompanied to such state and shall provide him with a copy of such court order; in such event a copy of the consent shall be forwarded to the compact administrator of the state to which said juvenile or delinquent juvenile is ordered to return.

ARTICLE VII—Cooperative Supervision of Probationers and Parolees

(a) That the duly constituted judicial and administrative authorities of a state party to this compact (herein called "sending state") may permit any delinquent juvenile within such state, placed on probation or parole, to reside in any other state party to this compact (herein called "receiving state") while on probation or parole, and the receiving state shall accept such delinquent juvenile, if the parent, guardian or person entitled to the legal custody of such delinquent juvenile is residing or undertakes to reside within the receiving state. Before granting such permission, opportunity shall be given to the receiving state to make such investigations as it deems necessary. The authorities of the sending state shall send to the authorities of the receiving state copies of pertinent court orders, social case studies and all other available information which may be of value to and assist the receiving state in supervising a probationer or parolee under this compact. A receiving state, in its discretion, may agree to accept supervision of a probationer or parolee in cases where the parent, guardian or person entitled to the legal custody of the delinquent juvenile is not a resident of the receiving state, and if so accepted the sending state may transfer supervision accordingly.

(b) That each receiving state will assume the duties of visitation and of supervision over any such delinquent juvenile and in the exercise of those duties will be governed by the same standards of visitation and supervision that prevail for its own delinquent juveniles released on probation or parole.

(c) That, after consultation between the appropriate authorities of the sending state and of the receiving state as to the desirability and necessity of returning such a delinquent juvenile, the duly accredited officers of a sending state may enter a receiving state and there apprehend and retake any such delinquent juvenile on probation or parole. For that purpose, no formalities will be required, other than establishing the authority of the officer and the identity of the delinquent juvenile to be retaken and returned. The decision of the sending state to retake a delinquent juvenile on probation or parole shall be conclusive upon and not reviewable within the receiving state, but if, at the time the sending state seeks to retake a delinquent juvenile on probation or parole, there is pending against him within the receiving state any criminal charge or any proceeding to have him adjudicated a delinquent juvenile for any act committed in such state, or if he is suspected of having committed within such state a criminal offense or an act of juvenile delinquency, he shall not be returned without the consent of the receiving state until discharged from prosecution or other form of proceeding, imprisonment, detention or supervision for such offense or juvenile delinquency. The duly accredited officers of the sending state shall be permitted to transport delinquent juveniles being so returned through any and all states party to this compact, without interference.

(d) That the sending state shall be responsible under this Article for paying the costs of transporting any delinquent juvenile to the receiving state or of returning any delinquent juvenile to the sending state.

ARTICLE VIII—Responsibility for Costs

(a) That the provisions of Articles IV (b), V (b) and VII (d) of this compact shall not be construed to alter or affect any internal relationship among the departments, agencies and officers of and in the government of a party state, or between a party state and its subdivisions, as to the payment of costs, or responsibilities therefor.

(b) That nothing in this compact shall be construed to prevent any party state or subdivision thereof from asserting any right against any person, agency or other entity in regard to costs for which such party state or subdivision thereof may be responsible pursuant to Articles IV (b), V (b) or VII (d) of this compact.

ARTICLE IX—Detention Practices

That, to every extent possible, it shall be the policy of states party to this compact that no juvenile or delinquent juvenile shall be placed or detained in any prison, jail or lockup nor be detained or transported in association with criminal, viscious or dissolute persons.

ARTICLE X—Supplementary Agreements

That the duly constituted administrative authorities of a state party to this compact may enter into supplementary agreements with any other state or states party hereto for the cooperative care, treatment and rehabilitation of delinquent juveniles whenever they shall find that such agreements will improve the facilities or programs available for such care, treatment and rehabilitation. Such care, treatment and rehabilitation may be provided in an institution located within any state entering into such supplementary agreement. Such supplementary agreements shall (1) provide the rates to be paid for the care, treatment and custody of such delinquent juveniles, taking into consideration the character of facilities, services and subsistence furnished; (2) provide that the delinquent juvenile shall be given a court hearing prior to his being sent to another state for care, treatment and custody; (3) provide that the state receiving such a delinquent juvenile in one of its institutions shall act solely as agent for the state sending such delinquent juvenile; (4) provide that the sending state shall at all times retain jurisdiction over delinquent juveniles sent to an institution in another state; (5) provide for reasonable inspection of such institutions by the sending state; (6) provide that the consent of the parent, guardian, person or agency entitled to the legal custody of said delinquent juvenile shall be secured prior to his being sent to another state; and (7) make provision for such other matters and details as shall be necessary to protect the rights and equities of such delinquent juveniles and of the cooperating states.

ARTICLE XI—Acceptance of Federal and Other Aid

That any state party to this compact may accept any and all donations, gifts and grants of money, equipment and services from the federal or any local government, or any agency thereof and from any person, firm or corporation, for any of the purposes and functions of this compact, and may receive and utilize the same subject to the terms, conditions and regulations governing such donations, gifts and grants.

ARTICLE XII—Compact Administrators

That the governor of each state party to this compact shall designate an officer who, acting jointly with like officers of other party states, shall promulgate rules and regulations to carry out more effectively the terms and provisions of this compact.

ARTICLE XIII—Execution of Compact

That this compact shall become operative immediately upon its execution by any state as between it and any other state or states so executing. When executed it shall have the full force and effect of law within such state, the form of execution to be in accordance with the laws of the executing state.

ARTICLE XIV—Renunciation

That this compact shall continue in force and remain binding upon each executing state until renounced by it. Renunciation of this compact shall be by the same authority which executed it, by sending six months' notice in writing of its intention to withdraw from the compact to the other states party hereto. The duties and obligations of a renouncing state under Article VII hereof shall continue as to parolees and probationers residing therein at the time of withdrawal until retaken or finally discharged. Supplementary agreements entered into under Article X hereof shall be subject to renunciation as provided by such supplementary agreements, and shall not be subject to the six months' renunciation notice of the present Article.

ARTICLE XV—Severability

That the provisions of this compact shall be severable and if any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstances shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and affect as to the remaining states and in full force and effect as to the state affected as to all severable matters.

ADMINISTRATION

Section 1. JUVENILE COMPACT ADMINISTRATOR. Pursuant to said compact, the governor is hereby authorized and empowered to designate an officer who shall be the compact administrator and who, acting jointly with like officers of other party states, shall promulgate rules and regulations to carry out more effectively the terms of the compact. Said compact administrator shall serve subject to the pleasure of the governor. The compact administrator is hereby authorized, empowered and directed to cooperate with all departments, agencies and officers of and in the government of this state and its subdivisions in facilitating the proper administration of the compact or of any supplementary agreement or agreements entered into by this state thereunder.

Section 2. SUPPLEMENTARY AGREEMENTS. The compact administrator is hereby authorized and empowered to enter into supplementary agreements with appropriate officials of other states pursuant to the compact. In the event that such supplementary agreement shall require or contemplate the use of any institution or facility of this state or acquire or contemplate the provision of any service by this state, said supplementary agreement shall have no force or effect until approved by the head of the department or agency under whose jurisdiction said institution or facility is operated or whose department or agency will be charged with the rendering of such service.

Section 3. FINANCIAL ARRANGEMENTS. The compact administrator, subject to the approval of the Commissioner of Finance, may make or arrange for any payments necessary to discharge any financial obligation imposed upon this state by the compact or by any supplementary agreement entered into thereunder.

Section 4. RESPONSIBILITIES OF STATE DEPARTMENTS, AGENCIES AND OFFICERS. The courts, departments, agencies and officers of this state and its subdivisions shall enforce this Compact and shall do all things appropriate to the effectuation of its purposes and intent which may be within their respective jurisdictions.

Section 5. ADDITIONAL PROCEDURES NOT PRECLUDED. In addition to any procedure provided in Article IV and VI of the compact for the return of any runaway juvenile, the particular states, the juvenile or his parents, the courts, or other legal custodian involved may agree upon and adopt any other plan or procedure legally authorized under the laws of this state and the other respective party states for the return of any such runaway juvenile.

SB 343, AN ACT relating to state funds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 41.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) Not less than three solvent banks shall be designated as depositories for state funds. Each bank designated shall have not less than the minimum capital stock as required in paragraphs (2) and (3) of KRS 287.070. The State Investment Commission is vested with the exclusive authority to designate depositories for state funds. Those designated shall be entered in the executive journal. If at any time it appears that the capital of any depository has become impaired, the state's deposits shall be withdrawn and another depository named.

(2) The State Investment Commission shall determine the need for moving state funds from one designated depository to another.

Section 2. Section 41.260 of the Kentucky Revised Statutes is amended to read as follows:

Whenever the State Investment Commission determines that a deposit of public money is to be transferred from one state depository bank to another, the Treasurer shall cause to be prepared and transmitted to the Department of Finance a voucher describing the proposed transfer and the pay-in vouchers for the deposit of the money to be so transferred. On receipt of these documents the Department of Finance shall register the proposed transfer in a book to be maintained for this purpose and issue its warrant for the amounts specified. The Department of Finance shall fill in on the warrant the bank at which it is payable, and shall transmit the warrant accompanied by all copies of the pay-in vouchers to the Treasurer. When the transfers have been completed the Treasurer shall immediately transmit receipted copies of the pay-in vouchers to the Department of Finance.

Section 3. Section 41.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) There shall be a State Investment Commission composed of the Governor, the Commissioner of Banking, and the State Treasurer. The commission shall have authority to and may invest any and all surplus funds of the state in direct obligations of the United States Government, or of the Commonwealth of Kentucky. All such investments shall be obligations that will mature within five years from the date of investment.

(2) The commission shall also have authority and may, whenever in its opinion the cash in the State Treasury is in excess of the amount required to meet current expenditures, invest any and all of said excess cash in United States Treasury bills or certificates of indebtedness or any other United States Government security which will mature within one year from the date of investment.

(3) Interest earned from investments made pursuant to this Section shall accrue to the Credit of the General Expenditure Fund, except that interest from investments of excess cash in the Road Fund

shall be credited to the Road Fund and interest earned from the investment of funds accumulated solely by means of contributions and gifts shall not be diverted to any purpose other than that stipulated by the donor, when such donor shall have designated the use to which such interest shall be placed.

(4) The authority granted by this Section to the State Investment Commission shall not extend to any funds that are specifically provided by law to be invested by some other officer or agency of the state government.

SB 8, AN ACT relating to fourth class cities and annexing or striking off territory thereof.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 81.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever a fourth-class city desires to annex territory or to reduce the boundaries of the city, the city legislative body shall, by ordinance, accurately define the boundary of the territory proposed to be annexed or stricken off. The ordinance shall be published once each week for three consecutive weeks in a newspaper published in the city or county. If there is no newspaper published in the city or county, the ordinance shall be advertised by handbills posted for at least fifteen days at four or more public places in the city, and at the same number of the most public places within the territory proposed to be annexed or stricken off.

(2) Within thirty days after the adoption, publication and advertisement of the ordinance, a petition shall be filed in the circuit court of the county within which the city is situated, in the name and on behalf of the city, setting forth the passage, publication and advertisement of the ordinance and its object and purposes, together with an accurate description by metes and bounds of the territory proposed to be annexed or stricken from the city, and praying for a judgment to annex the territory or strike it from the city. The petition shall be filed not less than twenty day before the first day of the next succeeding term of the circuit court in that county. Notice of the filing of the petition shall be given in the same manner as notice of passage of the ordinance. The circuit court shall not have jurisdiction of the proceedings unless the required publication or advertisement of the ordinance contains notice of the proposed proceedings in the court. If no defense is made at the first term of the court after the filing of the petition and notice, and the court makes no order for granting further time for making defense, the court shall render judgment annexing or striking off the proposed territory.

SB 13, AN ACT concerning alcoholic beverages in relation to minors.

Section 1. In enacting this Act it is the intention of the General Assembly to place a responsibility upon minors who purchase alcoholic beverages and to punish those who contribute to the delinquency of minors.

Section 2. (1) No person under the age of twenty-one years shall purchase or possess for consumption any alcoholic beverages.

(2) No person shall purchase alcoholic beverages for, or deliver alcoholic beverages to, any person under the age of twenty-one years.

(3) Any person who violates this Act shall be fined not less than fifteen dollars nor more than one hundred dollars for each offense.

Section 3. Section 208.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The juvenile session of county court in each county shall have exclusive jurisdiction in proceedings concerning any child living or found within the county who has committed a public offense, except a violation involving alcoholic beverages. The court shall not have jurisdiction of any offense involving alcoholic beverages.

(2) Nothing in this chapter shall deprive other courts of the right to determine the custody of children upon writs of habeas corpus, or to determine the custody or guardianship of children when such custody or guardianship is incidental to the determination of other causes pending in such other courts; nor shall anything in this chapter affect the jurisdiction of circuit courts over adoptions and over proceedings for termination of parental rights.

SB 14, AN ACT relating to establishment of Bryan's Station State Park.

Section 1. (1) There shall be a state park at the site of the original Bryan's Station in Fayette County, Kentucky, which park shall be known as Bryan's Station State Park. This park shall consist of no more than fifty acres and shall be developed for historical and/or recreational purposes at the discretion of the Commissioner of Conservation, in commemoration of the historical significance of Bryan's Station in the history and traditions of the Commonwealth.

(2) The Division of Parks is hereby authorized to acquire real property in an amount to be determined by the Commissioner, on or near the site of the original Bryan's Station in accordance with the provisions of KRS 148.060. The Division of Parks is further authorized to provide for the maintenance of Bryan's Station State Park in the manner provided by law for other state parks.

SB 18, AN ACT relating to Planning and Zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 100.330 be amended to read as follows:

KRS 100.330 Members of commission; term of office; vacancies.

(1) Each commission shall consist of five "city members" who shall be citizens and residents of the city, and three "county members" who shall be citizens of the county in which the city is located, residing outside the limits of the city. All members of the commission shall serve without compensation.

(2) The city members shall be chosen in the following manner: The mayor and supervisor of public works shall be ex officio members of the commission. The mayor shall appoint the remaining three city members who shall hold no other city or county office.

(3) The county members shall be chosen in the following manner: The county engineer shall be an ex officio member of the commission. The remaining members shall be chosen by the fiscal court from persons not holding any other city or county office.

(4) The members initially appointed by the mayor shall hold office according to designation in their appointment, one of them for two years, and the others for terms of four years each, and upon the expiration of their respective terms, the successor of each shall hold his office for a term of four years. Vacancies in the office of members appointed by the mayor shall be filled by successors appointed by the mayor for unexpired term.

(5) The county member initially chosen by the fiscal court shall hold office for a term which shall expire two years after the next elective period of the county engineer and his successors shall hold office for a term of four years. Vacancies in the office of the appointive county members shall be filled by a successor appointed by the fiscal court for the remainder of the term of office in which the vacancy has occurred.

(6) Where any ex officio member in the employment of the city or county vacates his official position he shall ipso facto vacate his office as a member of the commission. Any incumbent otherwise qualified under this section shall hold office until his successor is chosen and qualified.

SB 28, AN ACT relating to traffic regulations, amending KRS 189.140.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 189.140 of the Kentucky Revised Statutes is amended to read as follows:

Every motor vehicle with an internal combustion, steam or air motor shall be equipped with a suitable and efficient muffler. No person shall operate a motor vehicle with the muffler cut out or removed, or equipped with any motor or exhaust system apparatus capable of creating unnecessary sound or noises, such as a Hollywood muffler, by-pass, gutted muffler, straight pipe, pinched tailpipe or whistle; nor shall any person cause unnecessary noise or sound by retarding or advancing the timing of the spark in the ignition system.

SB 42, AN ACT relating to tobacco research.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In enacting this legislation it is the intention of the General Assembly to find new uses for Kentucky's tobacco surplus to avoid further cuts in acreage quotas and to solve other problems adversely affecting the economy of the Commonwealth.

Section 2. There shall be established in the Agricultural Experiment Station of the University of Kentucky, a research project to promote greater utilization for Kentucky tobacco with particular emphasis on new uses and new products.

Section 3. All property rights or income resulting from research under this Act shall be credited to the research project herein established and shall be used for continued research into new uses for tobacco.

Section 4. On or about January 1 of each year the director of the Agricultural Experiment Station shall make a progress report to the Governor, the General Assembly, the Board of Trustees of the University of Kentucky and the press of the Commonwealth; except in such instances where revelation of such report may adversely affect a successful culmination of that portion or portions of the research.

Section 5. None of the monies appropriated for the purpose of this Act shall be used for research leading to increased tobacco production nor for research into tobacco disease control, except where such research is considered necessary to develop greater utilization or new products.

Section 6. To carry out the purpose of this Act, the sum of fifty thousand dollars for the 1958-1959 fiscal year and the sum of fifty thousand dollars for the 1959-1960 fiscal year is appropriated to the Agricultural Experiment Station of the University of Kentucky out of the General Fund.

Section 7. Any monies not expended in the first year of the biennium shall be available for this program in the second year of the biennium and shall not revert to the general fund.

SB 45, AN ACT relating to voting machines; providing a method of procurement thereof and payment therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Commission" means the State Property and Buildings Commission or the agency succeeding to the principal functions thereof;

(2) "Project," or the words, "Voting machine Project," means a public project as defined in KRS Chapter 58;

(3) "Cost" means the cost of purchase of voting machines, the cost of freight and transportation, the cost of insurance on said voting machines, the cost of preparing, issuing, selling or exchanging revenue bonds as provided for in this Act, and shall further embrace and include all expenses, including legal fees, in connection therewith;

(4) "Bonds," or the words, "Voting machine revenue bonds," means Commonwealth of Kentucky, State Property and Buildings Commission, voting machine revenue bonds.

Section 2. In order to facilitate the use of voting machines in this Commonwealth, to eliminate the antiquated manner in which elections are now conducted, and to provide a public project for this purpose; to provide a plan for the purchase and use of modern voting machines in all counties desiring to use or purchase same and to provide a way for the counties to purchase said machines under a rent-purchase contract, so that they will be available for use while being paid for by said counties, the State Property and Buildings Commission shall purchase voting machines meeting all the specifications and requirements of KRS Chapter 125, for any counties which contract for same as provided for in this Act; and the commission is authorized to issue revenue bonds to finance such project.

Section 3. The commission may:

(1) Advertise for and receive proposals for the purchase of voting machines in sufficient number to supply the needs of all counties. The commission, however, shall not purchase any voting machines for the use of any county until the county has contracted with said commission for the rental and purchase of said voting machines as provided for herein. The fiscal court of the county so contracting may designate the type, make and kind of machine and such designation shall be binding on the commission in the purchase of voting machines for such county.

(2) Issue one or more series of voting machine revenue bonds of the Commonwealth of Kentucky, payable solely from the revenues pledged for their payment; the revenue bonds issued by the commission can be issued, sold or exchanged as provided for in this Act, or as provided for in KRS Chapters 56 and 58;

(3) The commission is empowered to use any provision contained in the above-mentioned Chapters or in this Act, separately, or a combination thereof.

Section 4. Any contract between a county and the commission for the rent-purchase of voting machines shall provide that the yearly rental will be sufficient to pay all costs of the project, including the principal of and interest on revenue bonds, so that the entire cost shall be at the expense of the county and that upon payment of the entire costs of the project title to the voting machines shall be transferred to the county.

Section 5. All funds received by the commission under the terms of the rent-purchase contracts shall be placed in a sinking fund, and shall not be used for any purpose except to pay the cost of the public project, and for the payment of the principal of and the interest on revenue bonds as provided for in this Act.

Section 6. Revenue bonds issued under the provisions of this Act shall not be deemed to constitute a debt of the Commonwealth or of any political subdivision thereof, nor a pledge of the credit of the Commonwealth or of any political subdivision thereof; but such bonds shall be payable solely from funds herein provided. All such revenue bonds shall contain on the face thereof a statement to the effect that the Commonwealth shall not be obligated to pay the same, or the interest thereon, except from revenues of the project or projects for which they are issued; and that neither the credit nor the taxing power of the Commonwealth is pledged to the payment of the principal of, or the interest on, such bonds.

SB 46, AN ACT relating to compensation of guards for safekeeping of prisoners.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 70.610 be amended to read as follows:

KRS 70.610 **Guards for safekeeping prisoner.**

When the county judge believes that the safekeeping of a prisoner confined in his county under a charge of felony requires that a guard be kept over him, he shall make the order of record to that effect, and direct the number of guards to be summoned, by whom, and under whose control they shall be placed. If the circuit court is in session in the county, the circuit judge shall exercise the power conferred upon the county judge by this section. Each guard so summoned and performing duty shall be allowed the compensation fixed by the court in each specific instance, said compensation not to exceed Ten Dollars ($10.00) per day, to be paid out of the county treasury.

SB 47, AN ACT requiring open or public meetings of all public commissions, boards and councils, and the other agencies and departments in this state.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In enacting this chapter, the legislature finds and declares that the public commissions, boards and councils and the other public agencies and departments in this state exist to aid in the conduct of the people's business. It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly.

The people of this state do not yield their sovereignty to the agencies which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created.

Section 2. As used in this chapter "the other public agencies and departments in this state" means the governing boards, commissions, departments and all other state agencies.

As used in this chapter, "local agency" means a county, city, city and county, town, school district, municipal corporation, district, political subdivision, or any board, commission or agency thereof, or other local public agency.

Section 3. All meetings of any public commissions, boards, councils, and the other public agencies and departments of this state whether local or state shall be open and public, and all persons shall be permitted to attend any of the meetings of the public commissions, boards, councils and the other public agencies and departments of this state, except as to specific matters expressly required by statute to be kept confidential.

Section 4. All of said public commissions, boards and councils and the other public agencies and departments in this state shall provide, by ordinance, resolution, by-laws or by whatever other rule is required for the conduct of business by that body, the time for holding regular meetings.

Section 5. Said regular meetings may be adjourned to a time and place specified in the order of adjournment. When so adjourned, the adjourned meeting is a regular meeting for all purposes. When an order of adjournment of a regular or adjourned meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified by ordinance, resolution, by-laws, or whatever other rule is required for regular meetings.

Section 6. A special meeting may be ordered at any time by the presiding officer of any public commission, board and council, and the other public agencies and departments in this state, or by a majority of the members of said body, by delivering personally or by mail written notice to each member of said body and to each local newspaper of general circulation, radio or television station requesting notice in writing. Such notice must be delivered personally or by mail at least twenty-four hours before the time of such meeting as specified in the notice. The order shall specify the time and the place of the special meeting and the business to be transacted. No other business shall be considered at such meeting by said body.

Section 7. The provisions of this Chapter shall apply to all public boards, commissions, agencies or authority of the state of Kentucky, and the governing board, commission, agency or authority of any political sub-division exercising legislative, regulatory or directive powers.

SB 50, AN ACT relating to insurance policies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

New sections of Chapter 304 of the Kentucky Revised Statutes are created to read as follows:

Section 1. All life insurance policies which are issued by insurance companies doing business in this state shall provide that the policy does not cover suicide if committed by the insured within one year after the date of issue of the policy, and this one year period shall not be enlarged or diminished in any such policy.

Section 2. All life insurance policies which are issued by insurance companies doing business in this state shall provide that the policy shall become incontestable after one year from the date of issue of the policy, and this one-year period shall not be enlarged or diminished in any such policy.

Section 3. Where a life insurance policy has been completely paid up for a period of time in the future and the insured dies during this period of time, the insurer shall, in addition to paying the face value of the policy, refund to the insured's estate that percentage of the premium which had not been expended for payment of insurance, said percentage being computed by determining the total number of days for which the policy had been paid, and then determining the number of days that was left in this period after the date of the insured's death, and the percentage acquired by dividing the number of days for which the policy had been paid into the number of days left in the period after the date of the insured's death, shall be the percentage of the premium to be refunded.

SB 62, AN ACT relating to motor vehicle equipment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) No person shall sell any new motor vehicle in this state after July 31, 1958 nor shall any person apply for registration of a new motor vehicle in this state after that date, unless such motor vehicle is equipped with two self-operating windshield wipers installed thereon and in good operating condition. Such wipers shall be installed one on the left half of the windshield and one on the right half and shall be capable of effectively clearing the windshield of all rain, sleet, snow, spray, slush or other vision-impairing substances which may be encountered in any driving conditions.

(2) Such windshield wipers shall provide clear vision through the windshield for the driver and shall maintain a constant speed, selected by the vehicle operator, regardless of the speed of the vehicle and shall be operated under all conditions under which the driver's range of vision is impaired by any element of weather and wherein operation of the wiper would improve the driver's range of vision.

(3) The provisions of this Section shall not apply to motorcycles.

Section 2. Section 189.110 of the Kentucky Revised Statutes is amended to read as follows:

No person shall drive any motor vehicle with any sign, poster or other nontransparent material upon the front windshield, sidewings, side or rear windows of the vehicle, other than a paper required to be so displayed by law. Nor shall any person drive a motor vehicle within which are placed any dangling objects so positioned as to obstruct the operator's vision in any direction.

Section 3. Any person who violates any of the provisions of this Act shall be fined not less than ten dollars nor more than one hundred dollars for each offense.

SB 65, AN ACT relating to transactions between florists and funeral directors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No florist shall pay a commission or rebate to an embalmer or funeral director as consideration for that person's having recommended purchase of flowers from him.

Section 2. No embalmer or funeral director shall accept a commission or rebate from a florist as consideration for having recommended purchase of flowers from that florist.

Section 3. Any person who violates this Act shall be fined not less than two hundred dollars for each offense.

SB 67, AN ACT relating to fire insurance contracts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No fire insurance contract delivered or issued for delivery in this state or covering subjects located in this state shall contain any condition, stipulation or agreement which requires the insured to institute action on the policy under the terms of the fire insurance contract in less than five years after the inception of the loss.

SB 71, AN ACT relating to registration of motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 186.190 (5) is amended to read as follows:

It shall be the duty of the purchaser, or a licensed dealer on his behalf, to record the endorsed registration receipt of the original owner with the County Clerk of the County of the purchaser's residence, or in which the vehicle is to be principally operated, together with a copy of the Bill of Sale and to pay a transfer fee of $1.00. The Clerk shall thereupon issue a new registration receipt bearing the same data and information as required on the original receipt, except the change in name and address. For his services hereunder the purchaser shall pay to the Clerk a fee of $1.00.

SB 73, AN ACT relating to school employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 161.740 of the Kentucky Revised Statutes is amended to read as follows:

(1) Continuing service status shall be awarded to teachers holding standard or college certificates as defined in KRS 161.720, under the following conditions:

(a) When a teacher is recommended for re-employment after teaching four years in a district, the superintendent shall recommend said teacher for a continuing contract, and, unless the board of education by a four-fifths vote of its full membership rejects a continuing contract for the teacher, a written continuing contract shall be made; if the board of education rejects the continuing contract of the teacher recommended, the superintendent may recommend employment of such teacher, under a limited contract not in excess of two years, but upon subsequent re-employment a written continuing contract shall be made;

(b) When a teacher has attained continuing contract status in one district and transfers to another district, upon the recommendation of the superintendent the board of education may at the time of employment, or at any time within a two-year period, declare any transfer teacher eligible for a written continuing contract and extend to such teacher such contract; if during the two-year period the teacher has not received a written continuing contract and the teacher is recommended for re-employment at the end of the two-year period, the superintendent shall recommend said teacher for a continuing contract and, if re-employed, a written continuing contract shall be issued;

(c) Any teacher who has taught six years or more and is eligible for a continuing contract but has not received such contract shall, if employed for the school year 1957-1958, received a written continuing contract.

(2) Any teacher or superintendent who has been or may be hereafter inducted into the Armed Forces of this country for service in the present war, shall at the expiration of such service be re-instated in his former position unless such person is physically or mentally incapacitated. Application for re-instatement shall be made to the board of education within a period of sixty days immediately following discharge from the Armed Forces of the country. Re-instatement shall be as of the beginning of the next school year following at least thirty days after the application is received. Vacancies created by military leaves shall be filled by teachers or superintendents employed by the board of education under limited contracts only.

(3) Any teacher or superintendent who resigned for the purpose of accepting employment in defense work during World War II, and who at the time of such resignation would not have been subject to induction under the selective service rules existing prior to December 7, 1941, shall retain teaching seniority, provided he had returned to teaching prior to January 1, 1947.

SB 77, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.010 of the Kentucky Revised Statutes is amended to read as follows:

186.010. In this chapter, unless the context requires otherwise:

(1) "Department", as used in KRS 186.105 to 186.270, means the Department of Revenue. As used in KRS 186.400 to 186.640, it means the Department of Public Safety.

(2) "Highway" means every way or place of whatever nature when any part of it is open to the use of the public, as a matter of right, license or privilege, for the purpose of vehicular traffic.

(3) "Manufacture" means any person engaged in manufacturing motor vehicles who will, under normal conditions during the year, manufacture or assemble at least ten new motor vehicles.

(4) "Motor Vehicle" as used in KRS 186.020 to 186.260, includes all vehicles, as defined in paragraph (a) of sub-section (7) of this section, which are propelled otherwise than by muscular power. As used in KRS 186.400 to 186.640, it means all vehicles, as defined in paragraph (b) of sub-section (7) of this section, which are self-propelled.

(5) "Operator" means any person in actual control of a motor vehicle upon a highway.

(6) "Owner" means a person who holds the legal title of a ve-

hicle. If a vehicle is the subject of an agreement for the conditional sale or lease, with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee, or if a mortgagor of a vehicle is entitled to possession, the conditional vendee or lessee or mortgagor shall be deemed the owner.

(7) (a) "Vehicle", as used in KRS 186.020 to 186.260, includes all agencies for the transportation of persons or property over or upon the public highways of this Commonwealth and all vehicles passing over or upon said highways, excepting road rollers, road graders, farm tractors, vehicles on which power shovels are mounted, such other construction equipment customarily used only on the site of construction and which is not practical for the transportation of persons or property upon the highways, such vehicles as travel exclusively upon rails, and such vehicles as are propelled by electric power obtained from overhead wires while being operated within any municipality or where said vehicles do not travel more than five miles beyond the city limit of any municipality.

(b) As used in KRS 186.400 to 186.640, "vehicle" means every device in, upon, or by which any person or property is or may be transported or drawn upon a public highway, excepting devices moved by human and animal power or used exclusively upon stationary rails or tracks, or derives its power from overhead wires.

(8) KRS 186.020 to 186.270 apply to motor vehicle licenses. KRS 186.400 to 186.640 apply to operators' licenses.

(9) "Dealer" means any person engaging in the business of buying or selling motor vehicles.

(10) *"Motor-driven cycle" means all vehicles, as defined in paragraph (b) of subsection (7) of this section, which have a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground, and which are self-propelled by a motor or engine producing not in excess of five (5) brake horsepower.*

Section 2. Subsection (2) of Section 186.050 of the Kentucky Revised Statutes is amended to read as follows:

(2) The annual registration fee for each motorcycle and *motor-driven* cycle shall be $2.00 and for each side car attachment, $1.00.

Section 3. The introductory clause and subsection (1) of Section 186.440 of the Kentucky Revised Statutes are amended to read as follows:

186.440. An operator's license shall not be granted to:

(1) Any person under the age of 16, *except that an appropriately marked special operator's license shall be granted to any properly qualified person over the age of 14 and under 16 to operate a motor-driven cycle.*

Section 4. *All motor-driven cycles sold in this state must be clearly stenciled or stamped by the manufacturer with the name of the manufacturer, place of manufacture, and horsepower of the cycle.*

Section 5. Section 189.010 of the Kentucky Revised Statutes is amended to read as follows:

189.010. As used in this chapter, unless the context requires otherwise:

(1) "Department" means the Department of Highways.

(2) "Highway" means any public road, street, avenue, alley, or boulevard, bridge, viaduct, or trestle, and the approaches to them.

(3) "Motor truck" means any motor-propelled vehicle designed for carrying freight or merchandise. It shall not include self-propelled vehicles designed primarily for passenger transportation, but equipped with frames, racks or bodies having a load capacity of not exceeding one thousand pounds.

(4) "Operator" means the person in actual physical control of a vehicle.

(5) "Semi-trailer" means a vehicle designed to be attached to, and having its front end supported by, a motor truck or truck tractor, intended for the carrying of freight or merchandise and having a load capacity of over one thousand pounds.

(6) "Semi-trailer truck" means any motor-propelled vehicle designed to draw and to support the front end of a semi-trailer. The semi-trailer and the tractor shall be considered to be one unit.

(7) "Sharp curve" means a curve of not less than thirty degrees.

(8) "State Highway Patrol" means any agency for the enforcement of the highways laws established pursuant to KRS 12.030, 176.020, and 281.380.

(9) "Steep grade" means a grade of exceeding seven percent.

(10) "Trailer" means any vehicle designed to be drawn by a motor truck or truck-trailer, but supported wholly upon its own wheels, intended for the carriage of freight or merchandise, and having a load capacity of over one thousand pounds.

(11) "Unobstructed highway" means a straight, level, first-class road upon which no other vehicle is passing or attempting to pass, and upon which no other vehicle or pedestrian is approaching in the opposite direction, closer than three hundred yards.

(12) "Vehicle" includes all agencies for the transportation of persons or property over or upon the public highways of this Commonwealth and all vehicles passing over or upon said highways, excepting road rollers, road graders, farm tractors, vehicles on which power shovels are mounted, such other construction equipment customarily used only on the site of construction and which is not practical for the transportation of persons or property upon the highways,

such vehicles as travel exclusively upon rails, and such vehicles as are propelled by electric power obtained from overhead wires while being operated within any municipality or where said vehicles do not travel more than five miles beyond the city limit of any municipality. "Motor vehicle" includes all vehicles as defined above which are propelled otherwise than by muscular power.

(13) *"Motor-driven cycle" means all motor vehicles, as defined in subsection (12) of this section, which have a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground, and which are self-propelled by a motor or engine producing not in excess of five (5) brake horsepower.*

Section 6. Subsection (1) of Section 189.040 of the Kentucky Revised Statutes is amended to read as follows:

189.040 (1) Motor vehicles shall have at least two lamps in front, showing white, or tinted other than red, and of sufficient power to reveal clearly substantial objects at least 350 feet ahead. Two-wheeled motorcycles *and motor-driven cycles* need have only one such lamp. On all motor vehicles there shall also be a selective lowermost distribution of light, or composite beam, so aimed that:

(a) When the motor vehicle is not loaded, none of the high intensity portion of the light which is directed to the left of the prolongation of the extreme left side of the vehicle shall, at a distance of twenty-five feet ahead, project higher than a level of ten inches below the level of the center of the lamp from which it comes.

(b) When the motor vehicle is not loaded, none of the high intensity portion of the light which is directed to the right of the prolongation of the extreme left side of the vehicle shall, at a distance of twenty-five feet ahead, project higher than a level of five inches below the center of the lamp from which it comes. It shall reveal objects one hundred feet ahead. Any light projected ahead or sidewise shall be so arranged or deflected that no glaring rays from it or from any reflector shall be at any time more than three and one-half feet above a plane at a distance of seventy-five feet or more ahead of the vehicle. In case of accident or emergency, motor vehicles may display lanterns or other lights of smaller power, but if the lights are insufficient to reveal clearly substantial objects at least seventy-five feet ahead, the vehicles shall not proceed at a rate of speed in excess of twenty miles per hour. No motor vehicle shall be sold unless the light projected by the headlights meets the requirements of this sub-section at the time of sale.

Section 7. Subsection (2) of Section 189.090 of the Kentucky Revised Statutes is amended to read as follows:

(2) Every motor vehicle, including a motorcycle *or motor-driven cycle,* when operated upon a highway shall be equipped with brakes adequate to control the movement of and to stop and hold the vehicle.

There shall be two separate means of applying the brakes, each of which means shall be effective to apply the brakes to at least two wheels. If the two separate means are connected in any way, they shall be so constructed that failure of any one part of the operating mechanism shall not leave the motor vehicle without brake on at least two wheels.

Section 8. *The Department of Public Safety may, in its discretion, suspend or revoke the special license of any motor-driven cycle operator when such operator has received three or more citations for moving violations of the motor vehicle laws of this State.*

SB 80, AN ACT relating to sewer line improvements in cities of second to sixth classes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any city that undertakes a sewer line improvement, as defined in KRS 94.010 (2), under the provisions of KRS 94.291 to 94.325 shall have the alternative of providing, in the original ordinance adopted pursuant to KRS 94.295, that the improvement tax for such portion of the cost of the improvement as is to be assessed upon benefited property shall be apportioned and levied and be payable in two installments in accordance with the provisions of this Act. In such event KRS 94.316 to 94.322 shall not be applicable, but all of the other provisions of KRS 94.291 to 94.325, except where inconsistent with this Act, shall be applicable to the improvement project.

Section 2. The first installment shall be based upon an estimate of the cost of the work; and a certificate of apportionment based thereon, made and accepted before the opening of bids for the work. The estimate of cost and the certificate of apportionment shall be made, and the procedure upon the same shall be the same, as provided in KRS 94.309 for final certificates of apportionment, except that any references in KRS 94.309 to inspection and acceptance of the "work" shall be deemed to refer to inspection and acceptance of the estimate of cost and certificate of apportionment, and the tax levied upon the certificate against each lot or parcel of benefited property shall be in the amount of one-half of the estimated cost apportioned against such lot or parcel in the certificate of apportionment. The tax so levied shall be payable as prescribed in KRS 94.309, 94.313, 94.314 and 94.315.

Section 3. The levy of the first installment of the tax shall be so made that the tax will be payable before the commencement of work on the improvement. The proceeds of the tax shall be available for progress payments to the contractor in accordance with KRS 94.308.

Section 4. When the work has been completed a final certificate of apportionment shall be made and accepted in accordance with the provisions of KRS 94.309, apportioning the total cost of the improvement assessable upon benefited property. The amount of the tax levied under Section 2 of this Act against each lot or parcel shall be deducted from the amount of total cost apportioned against such lot or parcel, and a tax shall be levied in accordance with subsections (4) and (5) of KRS 94.309 for the balance, which tax shall be payable as provided in KRS 94.309, 94.313, 94.314 and 94.315.

Section 5. Whereas, in a number of cities a serious health problem exists because of the practical inability of the cities to finance sewer line improvements under the existing statutes, an emergency is declared to exist and this Act shall take effect upon its passage and approval by the Governor.

SB 84, AN ACT relating to public records.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) All written or printed books, documents, papers, pictures, negatives, recording maps, plans, or drawings that are the property of the state or a political subdivision thereof, and in which any entry has been made or is required to be made by law, or which any officer or employe of the state or a political subdivision thereof has received or is required to receive for filing or recording are public records, and shall be subject to inspection as prescribed by this Act.

(2) Any record not made confidential by law shall be subject to inspection by any interested person at any reasonable time. A certified copy of such records shall be furnished by the custodian thereof, upon the payment of such reasonable fee as may be prescribed by law or administrative rule.

(3) Other records may be inspected by any person having sufficient reason therefor who gives notice to the custodian thereof accompanied by an affidavit setting forth the reasons for the inspection and the special circumstances that require disclosure of the records.

(4) Any person refused the right to inspect any public records may bring a mandatory injunction proceeding in the Circuit Court of the county wherein he is refused the right to inspect such records. On determination that the plaintiff's request is in good faith and necessary, the court shall direct that the records be made available to him. The court's order may be appealed as any other court order.

Section 2. Any person who attempts in any manner to delay or hinder an entitled person from examining public records shall be fined not less than twenty-five dollars nor more than five hundred dollars or imprisoned for not less than ten days or more than thirty days.

SB 85, AN ACT relating to the computation of time, amending KRS 446.030.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 446.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) In computing any period of time prescribed or allowed by statute, the day of the act, event or default after which the designated period of time begins to run is not to be included. The last day of the period so computed is to be included, unless it is a Sunday or a legal holiday, in which event the period runs until the end of the next day which is neither a Sunday nor a holiday. When the period of time prescribed or allowed is less than seven days, intermediate Sundays or holidays shall be excluded in the computation.

(2) If any proceeding is directed by law to take place, or any act is directed to be done, on a particular day of a month and that day is Sunday, the proceeding shall take place, or the act shall be done, on the next day that is not a legal holiday.

SB 86, AN ACT relating to group life insurance for church congregations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The lives of the members of the congregation of any church may be insured as a group under a policy issued to the church subject to the following requirements:

(1) All members of the congregation, or any group or class thereof, shall be eligible for such insurance.

(2) The church shall be both policyholder and beneficiary;

(3) Premiums may be paid by the individuals insured or by the church.

SB 88, AN ACT relating to appeals from the Board of Claims.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 44.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) Appeals may be taken to the circuit court of the county in which the cause of action arose from all awards or judgments of the board where the amount in controversy, exclusive of interest and cost, is over fifty dollars. Appeals shall be taken within thirty days from the rendition of the award or judgment, and the method of appeal shall follow as nearly as may be the Rules of Civil Procedure, Rule 72.01, except that the state shall not be required to execute bond.

(2) On appeal no new evidence may be introduced, except as to fraud or misconduct of some person engaged in the hearing before the

board. The court shall hear the cause upon the record before it, and dispose of the appeal in a summary manner, being limited to determining: Whether or not the board acted without or in excess of its powers; the award or judgment was procured by fraud; the award or judgment is not in conformity to the provisions of KRS 44.070 to 44.160; and whether the findings of fact support the award or judgment. The court shall enter its findings on the order book as a judgment of the court, and such judgment shall have the same effect and be enforceable as any other judgment of the court in civil causes.

SB 92, AN ACT relating to local public health.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 212.020 of the Kentucky Revised Statutes is amended to read as follows:

The State Board of Health shall appoint three intelligent and discreet licensed and practicing physicians residing in each county who, together with the county judge and one person appointed by the fiscal court of each county, shall constitute a local board of health for the respective counties in which they reside. In the event a county does not have three qualified licensed and practicing physicians residing therein, the State Board of Health may appoint a resident lay person in lieu thereof for each such vacancy. The members of the local board shall hold office for a term of two years from the date of their appointment, and until their successors are appointed. The members of the board shall receive no compensation for their services.

Section 2. Section 212.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each city board of health shall appoint a health officer for the city. He may be removed at any time by the board.

(2) The county board of health of each county having a county department of health shall, subject to the approval of the State Department of Health, appoint a health officer who shall, subject to merit system provisions, hold office at the pleasure of both the county board and the State Department of Health.

(3) A health officer may, with the approval of the State Department of Health and the local boards of health concerned, serve in such capacity for more than one county.

(4) A health officer may appoint an administrative assistant for each county served by him subject to the approval of the State Department of Health. An administrative assistant shall exercise such duties as may be delegated to him by the health officer.

(5) A health officer may employ and fix the compensation of, by contract or otherwise, subject to the approval of the State Department of Health, all medical, technical, clerical, professional and other em-

ployees necessary for the maintenance and operation of the local health department in accordance with standards and merit system provisions prescribed by the State Department of Health.

(6) In the absence of a local health officer, the Commissioner of Health or his duly appointed representative shall serve as health officer for the county concerned.

Section 3. Section 212.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) County, city-county, and district boards of health shall:

(a) Appoint a health officer and fix his salary subject to the approval of the State Department of Health;

(b) Hold a regular meeting at least once every three months and such other special or regular meetings as may be desired and keep full minutes of all the proceedings in a book provided for this purpose;

(c) Adopt, except as otherwise provided by law, such rules and regulations not in conflict with the rules and regulations of the State Board of Health, as may be necessary to protect the health of the people or to effectuate the purposes of this Act or Chapter 212 of the Kentucky Revised Statutes or any other law relating to public health;

(d) Act in a general advisory capacity to the health officer on all matters relating to the local department of health;

(e) Hear and decide appeals from rulings, decisions, and actions of the local health department or health officer, where the aggrieved party makes written request therefor to the board within thirty days after the ruling, decision, or action complained of;

(f) Perform all other functions necessary to carry out the provisions of law and the rules and regulations adopted pursuant thereto, relating to local boards of health;

(2) Except as otherwise provided in Subsection (1) of this section, all powers and authority of the local board of health under existing statutes are transferred to the county department of health.

Section 4. Section 212.245 of the Kentucky Revised Statutes is amended to read as follows:

County, city-county, and district health departments may:

(1) Utilize available services, facilities, equipment and personnel of the State Department of Health or of the United States Public Health Service upon such terms of payment or reimbursement as are agreed on by the department and the State Department of Health or the United States Public Health Service;

(2) Contract for services not otherwise available;

(3) Provide for the public health training and instruction of employes and compensate and defray the reasonable expenses of said employes while they are pursuing public health training courses approved by the State Department of Health;

(4) Establish or contribute to a retirement system or fund for employes of the department, including any retirement system for state employes;

(5) Issue and require the heads of families and other persons to execute such orders as it considers expedient to prevent the outbreak and spread of communicable diseases, and to this end bring the infected population under prompt and proper treatment;

(6) Issue written orders directed to the owner or occupant of any property, or to any person, firm or corporation whatever, commanding, within the time and manner specified in the order, compliance with applicable public health laws of this state and all regulations of the State Board of Health or the county board of health. Notwithstanding the provisions of this section and Section 212.210 of the Kentucky Revised Statutes, any health officer may institute and maintain mandatory or prohibitory injunction proceedings in the appropriate circuit courts of this state to abate nuisances that are or may be a menace to the health of the people of the state or community, and to compel compliance with the public health laws of this state and the rules and regulations of the State Board of Health and the county board of health and the orders described in this section or in Section 212.210 of the Kentucky Revised Statutes;

(7) Through its health officers, representatives and agents, enter upon any premises when necessary for the purpose of making inspections and investigations and view evidence and interrogate persons to the extent required in the performance of their duties and responsibilities. The department or the health officer thereof may issue subpoenas, subpoenas duces tecum and all necessary process in proceedings brought before or initiated by the department or board, and such process shall extend to all parts of the Commonwealth. Service of process may be made by registered mail or in the manner prescribed by the Rules of Civil Procedure;

(8) Provide administrative, investigative and clerical services required by the local board of health;

(9) Cooperate with other health departments, agencies and organizations in matters relating to public health;

(10) Elect coverage under the state's workmen's compensation laws with the approval of the State Department of Health;

(11) Except as otherwise provided by law, do all other things reasonably necessary to protect and improve the health of the people.

Section 5. Section 212.260 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every city health officer shall serve as executive officer and be an exofficio member of the city board of health.

(2) The health officer of a county that does not have a county department of health shall enforce the rules and regulations of state and county boards of health.

(3) The health officer of a county that has formed a county department of health shall:

(a) Devote his entire time to the duties of his office, and shall not engage in the private practice of medicine;

(b) Be secretary of the county board of health and keep full minutes of the proceedings of the county board of health in a book provided for that purpose;

(c) Be the chief administrative officer of the county health department.

(4) The duties of the health officer of a district department of health shall be the same as the duties of a health officer of a county department of health, except that his activities, authority and jurisdiction shall extend to all of the counties whose boards of health govern the district department of health. He shall divide his time devoted to the performance of his duties reasonably and equitably between the counties composing the district over which he has jurisdiction, in accordance with the rules and regulations adopted by the governing body of the district, which rules and regulations must take into consideration the relative expenditure of money to maintain the district department of health spent by the counties composing the district.

Section 6. Section 212.660 of the Kentucky Revised Statutes is amended to read as follows:

(1) After the establishment of a city-county health department as provided in Section 212.640 of the Kentucky Revised Statutes, the city-county board of health shall appoint a health officer, subject to the approval of the State Department of Health. Other persons necessary for the work of the city-county health department shall be appointed in the same manner and subject to the same conditions as are other county health department employes.

(2) Any city health department employe who is covered by a pension fund for civil service employes, as authorized by Section 90.400 of the Kentucky Revised Statutes or any other section of the Kentucky Revised Statutes, prior to the consolidation of the city-county health department, may elect to continue such coverage thereafter in lieu of electing coverage under the Kentucky Employes Retirement System (Chapter 110 of the Acts of 1956 or amendments thereto); provided, however, that all new employes of such consolidated city-county health department shall thereafter be covered by the Kentucky Employes Retirement System.

Section 7. Section 212.715 of the Kentucky Revised Statutes is amended to read as follows:

No person shall fail or refuse to observe or obey a written order of any board of health, department of health, or health officer, issued pursuant to the provisions of law or regulations adopted thereunder.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

Monies derived in the manner provided by Sections 212.720 to 212.730 of the Kentucky Revised Statutes may be expended for the construction, alteration or modification of a public health center or other suitable housing facility for the county or city-county health department.

Section 9. Section 212.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any owner or occupant who fails to comply with an order made under the provisions of Subsection (1) of Section 212.210 of the Kentucky Revised Statutes shall be fined not less than ten dollars nor more than one hundred dollars, and each day's continuance of the nuisance, source of filth or cause of sickness, after the owner or occupant has been notified to remove it, shall be a separate offense.

(2) Any person who violates Section 212.715 of the Kentucky Revised Statutes as amended herein or any rule or regulation adopted by any city, county, or city-county board of health (except as otherwise provided by Subsection (3) of this section for counties containing cities of the first class) shall be fined not less than ten dollars nor more than one hundred dollars for each day the violation continues.

(3) The violation of any health regulation promulgated by the city-county board of health or of any order made by the board under Sections 212.350 to 212.620 of the Kentucky Revised Statutes, directing the abatement of a nuisance, source of filth or cause or probable cause of sickness, is hereby declared to be a misdemeanor, and any person, firm or corporation, or member of a firm or officer or director of a corporation, upon conviction thereof shall be fined not less than five dollars nor more than one hundred dollars for each such offense. If any offense is continued for more than one day, each day upon which such offense occurs or is continued shall be considered and constitute a separate offense and a separate fine may be imposed therefor.

Section 10. Subsection (2) of Section 212.180 and Sections 212.200, 212.280, 212.290, 212.300, 212.310, 212.320, 212.330, and 212.340 of the Kentucky Revised Statutes are repealed.

SB 93, AN ACT relating to the registration of marriages, divorces, annulments, and adoptions, with the State Department of Health.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is hereby created within the Division of Vital Statistics of the State Department of Health a section for the collection, indexing, tabulation, and registration of data relating to marriages, divorces, annulments and adoptions. The State Board of Health shall adopt such rules and regulations as may be necessary to carry out the provisions of this Act.

Section 2. Each county court clerk shall, on or before the tenth day of each month, furnish to the Division of Vital Statistics from the marriage licenses issued and the marriage certificates returned to the clerk during the previous month such information as may be required by the State Department of Health upon forms prescribed and furnished by the Department.

Section 3. Each circuit court clerk shall, within forty-five days after the entry of a final judgment of divorce (absolute or limited), annulment of marriage, or adoption, furnish to the Division of Vital Statistics such information as may be required by the State Department of Health upon forms prescribed and furnished by the Department.

SB 95, AN ACT relating to the distribution and sale of packages of hazardous substances intended for household use.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act may be cited as the "Kentucky Hazardous Substances Labeling Act".

Section 2. As used in this Act unless the context clearly indicates otherwise:

(1) "Board" means the State Board of Health;

(2) "Department" means the State Department of Health;

(3) "Person" includes any individual, partnership, corporation, firm or association;

(4) "Hazardous substance" means any substance or mixture of substances which is:

(a) "Toxic" and has the inherent capacity to produce bodily injury to man through ingestion, inhalation, or absorption through the skin, including toxic substances which are poisonous;

(b) "Corrosive" on contact with living tissue causing substantial destruction of tissue by chemical action, but does not refer to action on inanimate surfaces;

(c) "Irritant" and not corrosive within the meaning of Subsection (4) (b) of this section, which in contact with normal living tissue will induce a severe local tissue reaction;

(d) "Flammable" with a flashpoint of eighty degrees Fahrenheit or below;

(e) "Radioactive" as a result of disintegration of unstable atomic nuclei and emits energy;

(f) Capable of generating pressure through decomposition, heat, or other means if it may cause substantial personal injury or illness during any customary or reasonably anticipated handling or use;

(5) "Label" means a display of written, printed, or graphic matter upon the immediate container of any substance, or is easily legible through the outside container or wrapper.

Section 3. A hazardous substance is hereby declared to be misbranded when intended for household use if it fails to bear a label:

(1) Which states conspicuously:

(a) The name and place of business of the manufacturer, packer, or distributor;

(b) The common or usual name, or the chemical name (if there be no common or usual name), or the recognized generic name (not trade name only) of the hazardous substance or of each component which contributes substantially to its hazard;

(c) One of the following signal words: "Danger", "Warning", or "Caution";

(d) When necessary, an affirmative statement of the principal hazard or hazards such as "Flammable", "Vapor Harmful", "Causes Burns", "Absorbed Through Skin", or similar wording descriptive of the hazard;

(e) Precautionary measures describing the action to be followed or avoided;

(f) Instructions, when necessary, for the first-aid treatment in case of contact or exposure if the substance is hazardous through contact or exposure;

(g) The word "Poison" for any toxic substance which is defined as poisonous by the rules and regulations of the board under the provisions of this Act;

(h) Instructions for handling and storage of packages which require special care in handling or storage; and

(i) The statement "Keep out of the reach of children" or its practical equivalent;

(2) On which any statements required under Subsection (1) of this section are not located prominently and are not in English in legible type in contrast by typography, layout, or color, with other printed matter on the label; provided, however, that the board may by regulations provide for minimum information which shall appear on the labels for small packages, which labels need not include all of the information required by this section; provided further, that the board may provide for less than the foregoing statement of the hazard or precautionary measures for labels of hazardous substances presenting only minor hazards; and a package shall not be deemed misbranded under the provisions of this Act if it is a substance subject to the Federal Insecticide, Fungicide, and Rodenticide Act (61 Stat. 163, 7 USC 135 et. seq.); the Kentucky Pesticide Act (KRS 217.540 to 217.640); the Federal Food, Drug and Cosmetic Act (52 Stat. 1040 et. seq., Title 21 USC 301 et. seq.); the Kentucky Food, Drug, and Cosmetic Act, or to

packages or substances intended for use in agriculture or horticulture for industrial or related uses.

Section 4. No person shall sell, offer for sale, distribute or transport for sale within this state in a package or container intended for general home and household use a hazardous substance which is misbranded.

Section 5. The board shall adopt rules and regulations for the proper administration and enforcement of this Act. The Board may in its discretion adopt tests and standards for determination of toxic, poisonous, corrosive, irritant, flammable, and radioactive properties of any hazardous substance.

Section 6. (1) Whenever a duly authorized agent of the department finds or has probable cause to believe that any hazardous substance is misbranded, within the meaning of this Act, or is dangerous to public health he shall affix to such article a tag or other appropriate marking, giving notice that such article is, or is suspected of being, misbranded or dangerous to public health and has been detained or quarantined and warning all persons not to remove or dispose of such article by sale or otherwise until permission for removal or disposal is given by such agent or the court. It shall be unlawful for any person to remove or dispose of such detained or quarantined article by sale or otherwise without such permission.

(2) When an article detained or quarantined under Subsection (1) of this section has been found by such agent to be misbranded or dangerous to public health, he shall petition the judge of the police, county, or circuit court in whose jurisdiction the article is detained or quarantined for an order for condemnation of such article; provided, however, that nothing in this section shall require that the department or its agent shall go to court if destruction of the quarantined article is accomplished by agreement made in writing with the owner of the property. When such agent has found that an article so detained or quarantined is not misbranded or dangerous to public health, he shall remove the tag or other marking.

(3) If the court finds that a detained or quarantined article is misbranded or dangerous to public health, such article shall, after entry of the order, be destroyed at the expense of the claimant thereof under the supervision of such agent, and all court costs and fees, and storage and other proper expenses, shall be taxed against the claimant of such article or his agent; provided, however, that if the quarantining of the article is due only to misbranding which can be corrected by proper labeling of the article, the court, after entry of the order and after such costs, fees, and expenses have been paid and a good and sufficient bond, conditioned that such article shall be so labeled has been executed, may by order direct that such article be delivered to the claimant thereof for such labeling under the supervision of an

agent of the department. The expense of such supervision shall be paid by the claimant. Such bond shall be returned to the claimant of the article on representation to the court by the department that the article is no longer in violation of this Act, and that the expenses of such supervision have been paid.

Section 7. Before any violation of this Act is reported to the Commonwealth, county or city attorney for institution of a criminal proceeding, the person against whom such proceeding is contemplated may be given appropriate notice and an opportunity to present his views to the department, either orally or in writing, with regard to such contemplated proceeding. Nothing in this Act shall be construed as requiring the department to report for prosecution minor violations of the Act whenever it believes that the public interest will be best served by a suitable notice of warning in writing.

Section 8. Any person violating any provisions of this Act shall be guilty of a misdemeanor and shall on conviction be subject to a fine of not less than ten dollars nor more than one hundred dollars or imprisonment for not more than thirty days, or both. Each day of violation shall constitute a separate offense.

SB 97, AN ACT relating to hospitals, nursing homes and homes for the invalid and aged.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act may be cited as the "Hospital and Nursing Home Act".

Section 2. As used in this Act unless the context requires otherwise:

(1) "Board" means the State Board of Health;

(2) "Department" means the State Department of Health;

(3) "Person" means any individual, partnership, corporation, firm or association;

(4) "Hospital" means a place devoted primarily to the maintenance and operation of facilities for the diagnosis treatment or care of five or more persons, not related to the operator, for more than twenty-four hours, who suffer from acute illness, injury, disease or deformity and includes general acute hospitals, maternity hospitals, mental hospitals, tuberculosis hospitals, orthopedic hospitals, chronic disease hospitals and other specialized hospitals;

(5) "Nursing home" means a place devoted primarily to the maintenance and operation of facilities for the treatment and care of four or more persons, not related to the operator, for more than twenty-four hours, who suffer from chronic illness, disease or deformity, or from an illness or injury not requiring the intensive care normally pro-

vided in a hospital but who do not require care in excess of room, board and laundry and who need skilled nursing care.

(6) "Skilled nursing care" means nursing services and procedures employed in caring for the sick which require training, judgment, technical knowledge and skills beyond that which the untrained person possesses;

(7) "Home for the invalid and aged" means a building devoted primarily to the maintenance and operation of facilities for the care of three or more persons, not related to the operator, for more than twenty-four hours, who are aged or invalid, who do not require the intensive care normally provided in a hospital or nursing home but who do require care in excess of room, board and laundry. The existence of any building occupied by three or more persons, not related to the operator, who are either infirm due to old age or who are physically or mentally handicapped, or who for other reasons should receive care ordinarily not given a normal person, shall constitute a prima facie case that the building constitutes a home for the invalid and aged; and

(8) "Proprietor" means the owner, lessee, manager, agent, or the person in charge of any hospital, nursing home or convalescent home.

Section 3. (1) No person shall operate a hospital, nursing home or home for the invalid and aged without having first obtained a license as provided for in this Act. An application for a license to operate any such establishment shall be made to the board upon forms provided by it and shall contain such information as the board reasonably requires.

(2) Each application for a license to operate a hospital, nursing home or home for the invalid and aged shall be accompanied by a fee of ten dollars and a statement of safety approval by the State Fire Marshal.

(3) The term "hospital", "nursing home" or "home for the invalid and aged" shall not be used as part of the name of any establishment, unless so classified by the State Board of Health.

Section 4. (1) Upon receipt of an application for a license to operate a hospital, nursing home or home for the invalid and aged, accompanied by the license fee and a statement of safety approval by the State Fire Marshal, the board shall issue a license if such establishment meets the requirements of this Act and the rules and regulations of the board.

(2) Each license to operate, unless suspended or revoked, shall expire on June 30 following its date of issuance and be renewable annually thereafter upon application accompanied by a renewal fee of five dollars, and a statement of safety approval by the State Fire Marshal.

(3) Each license to operate shall be issued only for the premises

and persons named in the application, and shall not be transferable.

(4) Licenses shall be posted in a conspicuous place at the establishment.

(5) Hospitals, nursing homes or homes for the invalid and aged operated by state, county, or municipal bodies shall be exempt from the payment of fees for licensure but shall comply with all other requirements of this Act.

(6) Hospitals, nursing homes or homes for the invalid and aged operated by the federal government are exempt from the provisions of this Act.

Section 5. Every hospital, nursing home or home for the invalid and aged shall be:

(1) Of adequate size;

(2) Constructed of such materials that floors, walls and ceilings are easily cleanable;

(3) Served by a good road which is passable at all times of the year; and

(4) Operated and maintained in accordance with the state plumbing code.

Section 6. Nothing in this Act or in the rules and regulations adopted pursuant thereto, shall be construed as applying to the practice of:

(1) Medicine;

(2) Osteopathy;

(3) Chiropractic;

(4) Healing by prayer in accordance with the creed or tenets of any recognized church or religious denomination;

(5) Any other practice or system of the healing arts which is recognized or permitted by the laws of the Commonwealth of Kentucky.

Section 7. The board shall promulgate rules and regulations for the proper administration and enforcement of this Act, with respect to construction, equipment, sanitation and sewage of establishments covered by this Act, records and reports, duties of proprietors, employes and other persons and any other matter concerning health and involving any establishment covered by this Act.

Section 8. The board shall, through its authorized agents, in the administration of this Act, have full and free access to the required records, grounds and buildings of the following:

(1) Facilities currently licensed;

(2) Facilities which have applied for a license;

(3) Facilities where there are reasonable grounds for believing that they may be subject to the provisions of this Act.

Section 9. No person shall construct, install or extensively alter a hospital, nursing home or home for the invalid and aged, without having first obtained the approval of the department, in writing, of the plans and specifications. Detailed plans and specifications of the proposed facility showing the plumbing system, sewage disposal system, water supply system, use and location of rooms, materials of construction, location of equipment, lighting, heating, and ventilation, shall be submitted to the department prior to the construction or alteration of the facility. In the event a public sewer is not available, the plan shall include the proposed type of sewage disposal system. All plans and specifications shall be submitted to the department in accordance with the rules and regulations of the board. The construction, installation or alteration shall be done in accordance with the approved plans and specifications.

Section 10. (1) There is hereby created a Hospital and Nursing Home Council to be composed of twelve members. The Commissioner of Health shall be an ex officio member and shall serve as chairman of the council. The other eleven members shall be appointed by the Governor for terms of four years and until their successors are appointed and qualify, except that the members appointed to fill the first vacancy occurring for a term beginning on July 1, 1958, shall be as follows: Three members shall be appointed for one year, three for two years, three for three years, and two for four years, and the respective terms of the first members shall be designated by the Governor at the time of their appointment. Upon the expiration of the respective terms of the members first appointed, the term of each successor shall be four years or until his successor shall be appointed and qualify. Four appointive members of the council shall be physicians licensed to practice medicine in Kentucky and shall be appointed from a list of three names for each position submitted by the Kentucky State Medical Association. Five appointive members of the council shall be hospital administrators and shall be appointed from a list of three names for each position submitted by the Kentucky State Hospital Association. Two appointive members of the council shall be nursing home administrators and shall be appointed from a list of three names for each position submitted by the Kentucky Association of Nursing Homes.

(2) The Hospital and Nursing Home Council shall meet at least once each year and at any time upon the call of the chairman. Members of the Hospital and Nursing Home Council shall serve without compensation but shall be reimbursed for necessary travel and subsistence expenses incurred in the performance of their duties.

(3) It shall be the duty of the Hospital and Nursing Home Council:

(a) To act in an advisory capacity to the board;

(b) To advise the board in the administration and enforcement of this Act; and

(c) To make available to the board data and material in its possession together with its views, suggestions and recommendations.

Section 11. (1) The board may suspend or revoke the license of any hospital, nursing home or home for the invalid and aged for violation of any provision of this Act or of any rule or regulation of the board.

(2) In every proceeding for suspension or revocation of a license, the board shall furnish the holder of the license with written notice setting out the substance of each offense charged, with sufficient detail to reasonably appraise such person of the nature, time and place thereof. No hearing shall be conducted until at least thirty days written notice thereof has been given to the holder of the license.

(3) Service of notice may be made in the manner prescribed by law for the service of civil processes, by delivery of same by any employe of the department, or by forwarding same to the holder of the license by United States registered mail at the address of the holder as it appears in the records of the board.

(4) Hearings may be conducted by a hearing officer or by a hearing committee appointed by the board. Any person appointed by the board as a hearing officer or as a member of a hearing committee may administer oaths, issue subpoenas for attendance of witnesses and for the production of books, papers and documents, and cite for contempt, before the circuit or quarterly court in the county in which the hearing is held.

(5) The licensee shall be known as the "respondent" and shall be entitled to be represented at the hearing in person or by counsel, or both, and shall be entitled to introduce testimony by witnesses or, if the board so permits, by deposition.

(6) The board shall notify the holder of the license by registered United States mail of its decision which shall become final and conclusive thirty days after such notice.

(7) Any licensee who is aggrieved by an order of the board may procure a declaration of rights under the Declaratory Judgment Act by filing within thirty days after notice of the order, a complaint in equity against the board in the circuit court of the county in which the board maintains its principal offices, together with a bond with good and sufficient sureties to cover all costs. Summons and a copy of the complaint shall be served upon the Commissioner of Health and the commissioner shall within thirty days thereafter file with the court a transcript of the record of hearing together with a certified copy of the order complained of. The board may file an answer or such other pleadings as it considers appropriate and the court shall, after considering the transcript of the evidence and the board's order, enter judgment. No new or additional evidence shall be introduced in the circuit court. In the event the action of the board is not sustained, the court shall, upon the request of the board, remand the

case for further proceedings. Any party aggrieved by the final judgment, order or decree rendered in the case by the circuit court may appeal therefrom to the Court of Appeals of Kentucky in the time, method and manner provided in the Declaratory Judgment Act and the Court of Appeals shall docket and advance the appeal as provided by law.

Section 12. (1) The board may certify a violation of this Act to the Commonwealth, county or city attorney in whose jurisdiction the violation occurred, and such attorney shall proceed for the applicable fines and penalties, and for abatement of the unlawful condition or violation.

(2) In addition to the remedies herein provided, a temporary or permanent injunction restraining any person from violating any provision of this Act, irrespective of whether or not there exists an adequate remedy at law, may be maintained.

Section 13. All fees collected by the board under the provisions of this Act shall be paid into the State Treasury and credited to a trust and agency fund to be used by the board in defraying the costs and expenses in the administration and enforcement of this Act. No part of this fund shall revert to the general funds of the Commonwealth.

Section 14. Any person who violates any of the provisions of this Act, or any rule or regulation promulgated under the provisions of this Act shall be fined not less than one hundred dollars nor more than five thousand dollars or imprisoned for not more than thirty days, or both, and for any subsequent offense shall be fined not less than five hundred dollars nor more than one thousand dollars, or imprisoned for not more than ninety days, or both. Each day of violation or non-compliance shall constitute a seperate offense.

Section 15. Sections 216.400, 216.410, 216.420, 216.430, 216.440, 216.450, 216.460, 216.470, 216.480, 216.490, 216.500, and subsection (2) of Section 216.990 of the Kentucky Revised Statutes are hereby repealed.

Section 16. This Act shall become effective July 1, 1958.

SB 99, AN ACT relating to barbiturate drugs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act:

(1) The term "barbiturate" means the salts and derivatives of Barbituric Acid also known as Malonyl Urea, having somnifacient or hypnotic action, and compounds, preparations and mixtures of same.

(2) The term "practitioner" means a person licensed under the

professional licensing laws of this state to prescribe and administer medicines or drugs.

Section 2. (1) It shall be unlawful for any person to possess, manufacture, sell, dispense, prescribe or administer any barbiturate except as authorized in this Act.

(2) (a) No person shall obtain or attempt to obtain a barbiturate, or procure or attempt to procure the administration of a barbiturate: by fraud, deceit, misrepresentation, or subterfuge; or by the forgery or alteration of a prescription; or by the concealment of a material fact; or by the use of a false name or the giving of a false address.

(b) Information communicated to a practitioner in an effort unlawfully to procure a barbiturate, or unlawfully to procure the administration of such drug, shall not be deemed a privileged communication.

(c) No person shall willfully make a false statement in or regarding any prescription, order, report, or record required by this Act.

(d) No person shall, for the purpose of obtaining a barbiturate, falsely assume the title of or represent himself to be a manufacturer, wholesaler, pharmacist, practitioner, or other authorized person.

(e) No person shall make or utter any false or forged prescription.

(f) No person shall affix any false or forged label to a package or receptacle containing any barbiturate.

(3) No person shall bring into, or cause to be brought into, or possess, use, or sell, upon the premises of any penal institution within the Commonwealth of Kentucky, any barbiturate in violation of this Act.

Section 3. Duly licensed pharmacists may sell, dispense and furnish any barbiturate only upon the prescription of a practitioner and then only if the container of such barbiturate bears a label showing the name and address of the pharmacy or pharmacist, the name of the person for whom the barbiturate was prescribed, the date of filling the prescription, and if for an animal, the specie and owner of same. All such prescriptions shall be numbered and filed and retained for at least two years. No such prescription shall be refilled except upon authorization of the prescribing practitioner.

Section 4. A practitioner may possess barbiturates in reasonable amounts, and deliver and dispense same to his patients in the general course of his practice provided the container in which such barbiturate are dispensed bears a label showing the name of the practitioner, the name of the person for whom prescribed, date and directions for use. If prescribed for an animal, the specie and name of the owner shall be shown on the label. The practitioner shall keep a record of such barbiturates received by him, and a record of all such drugs administered, dispensed, or professionally used by him otherwise than by prescription.

Section 5. Wholesalers and manufacturers may possess barbiturates for manufacturing and may sell and deliver same at wholesale, accompanied in each case with an invoice or bill of sale, to the following:

(1) Pharmacists.

(2) Practitioners.

(3) For lawful research, teaching, or testing, and not for resale.

(4) Hospitals and institutions where distribution is directed by practitioners.

(5) Federal, state and local governments.

(6) Manufacturers and other wholesalers.

Section 6. Nothing in this Act shall apply to a compound, mixture, or preparation containing salts or derivatives of barbituric acid which is sold in good faith for the purpose for which it is intended and not for the purpose of evading the provisions of this Act if:

(1) Such compound, mixture, or preparation contains a sufficient quantity of another drug or drugs, in addition to such salts or derivatives, to cause it to produce an action other than its hypnotic or somnifacient action; or

(2) Such compound, mixture, or preparation is intended for use as a spray or gargle or for external application and contains, in addition to such salts or derivatives, some other drug or drugs rendering it unfit for internal administration.

Section 7. All records, prescriptions and invoices provided for in this Act shall be preserved for at least two years and open to inspection by authorized representatives of the State Department of Health and the State Board of Pharmacy.

Section 8. This Act shall be administered jointly by the State Department of Health and the State Board of Pharmacy and their authorized agents. The State Board of Health and the State Board of Pharmacy shall make such rules and regulations as are deemed necessary to carry out the intent and purpose of this Act.

Section 9. (1) It is hereby made the duty of the State Department of Health and the State Board of Pharmacy, their officers, agents, inspectors, and representatives, and of all peace officers within the state, and of all city, county, and Commonwealth attorneys, and the Attorney General, within their respective jurisdictions, to enforce all provisions of this Act and to cooperate with all agencies charged with the enforcement of the laws of the United States, of this state, and of all other states relating to barbiturates.

(2) For the purpose of enforcing the provisions of this Act, the investigators, inspectors, representatives, and agents of the State Department of Health and the State Board of Pharmacy shall have the full power and authority of peace officers in this state, including the power of arrest and the authority to bear arms, and shall have the power and authority to administer oaths, to enter upon premises at all times for the purpose of making inspections, to seize evidence, to interrogate all persons, to require the production of prescriptions, of books, papers, documents, or other evidence, to employ special investigators and to expend funds for the purpose of obtaining evidence. Investigators, inspectors, representatives and agents of the State Department of Health and the State Board of Pharmacy are empowered to remove from the files of any apothecary or other custodian any barbiturate prescription upon tendering a receipt therefor.

(3) It shall be the duty of the State Department of Health to make or cause to be made examinations of samples secured under the provisions of this Act to determine whether or not any provision thereof has been violated.

Section 10. Notwithstanding the existence or pursuit of any other remedy (civil or criminal) the State Department of Health and the State Board of Pharmacy may maintain, in their own name, an action to restrain or enjoin any violation of this Act.

Section 11. On the conviction of any person of a violation of any provision of this Act, a copy of the judgment and sentence, and of the opinion of the court or magistrate, if any opinion be filed, shall be sent by the clerk of the court or by the magistrate to the State Department of Health.

Section 12. (1) Any person who violates any provision of Subsections (2) and (3) of Section 2 of this Act shall be guilty of a felony and shall be punished by confinement in the penitentiary for not less than two years nor more than five years, or by a fine of not less than one thousand dollars nor more than five thousand dollars or both.

(2) Any person who violates any provision of this Act, for which a specific penalty is not otherwise provided, shall be punished by confinement in the county jail for one year or by a fine of not less than three hundred dollars nor more than five hundred dollars or both.

Section 13. Subsection (3) of Section 217.010, and Sections 217.460, 217.470, 217.480, 217.490, 217.500, 217.510, 217.520, 217.530, and Subsection (13) of Section 217.990 of the Kentucky Revised Statutes are repealed.

SB 101, AN ACT relating to narcotic drugs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 218.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every physician, dentist, veterinarian, or other person who is authorized to administer or professionally use narcotic drugs, shall keep a record of such drugs received by him, and a record of all such drugs administered, dispensed, or professionally used by him otherwise than by prescription. It shall, however, be deemed a sufficient compliance with this subsection if any such person using small quantities of solutions or other preparations of such drugs for local application, shall keep a record of the quantity, character, and potency of such solutions or other preparations purchased or made up by him, and of the dates when purchased or made up, without keeping a record of the amount of such solution or other preparation applied by him to individual patients.

(2) Manufacturers and wholesalers shall keep records of all narcotic drugs compounded, mixed, cultivated, grown, or by any other process produced or prepared, and of all narcotic drugs received and disposed of by them, in accordance with the provisions of Subsection (5) of this section.

(3) Apothecaries shall keep records of all narcotic drugs received and disposed of by them, in accordance with the provisions of Subsection (5) of this section.

(4) Every person who purchases for resale, or who sells narcotic drug preparations exempted by Section 218.080 of the Kentucky Revised Statutes, shall keep a record showing the quantities and kinds thereof received and sold, or disposed of otherwise, in accordance with the provisions of Subsection (5) of this section.

(5) The form of records shall be prescribed by the State Board of Health. The record of narcotic drugs received shall in every case show the date of receipt, the name and address of the person from whom received, and the kind and quantity of drugs received; the kind and quantity of narcotic drugs produced or removed from process of manufacture, and the date of such production or removal from process of manufacture; and the record shall in every case show the proportion of morphine, cocaine, or ecgonine contained in or producible from crude opium or cocoa leaves received or produced and the proportion of resin contained in or producible from the plant Cannabis Sativa L. The record of all narcotic drugs sold, administered, dispensed, or otherwise disposed of, shall show the date of selling, administering, or dispensing, the name and address of the person to whom, or for whose use, or the owner and species of animal for which the drugs were sold, administered or dispensed, and the kind and quantity of drugs. Every such record shall be kept for a period of two years from the date of the transaction recorded. The keeping of a record required by or under the Federal Narcotic Laws, containing substantially the same information as is specified above, shall

constitute compliance with this section, except that every such record shall contain a detailed list of narcotic drugs lost, destroyed, or stolen, if any, the kind and quantity of such drugs, and the date of the discovery of such loss, destruction, or theft. A copy of the detailed list of narcotic drugs lost, destroyed, or stolen shall be forwarded to the State Department of Health as soon as practical.

Section 2. Section 218.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) On the conviction of any person of the violation of any provision of this Act or Chapter 218 of the Kentucky Revised Statutes, a copy of the judgment and sentence, and of the opinion of the court or magistrate, if any opinion be filed, shall be sent by the clerk of the court, or by the magistrate, to the board or officer, if any, by whom the convicted defendant has been licensed or registered to practice his profession or to carry on his business. On the conviction of any such person the court may, in its discretion, suspend or revoke the license or registration of the convicted defendant to practice his profession or to carry on his business. On the application of any person whose license or registration has been suspended or revoked, and upon proper showing and for good cause, said board or officer may reinstate such license or registration.

(2) Except as otherwise provided in Subsection (1) of this section, on the conviction of any person of a violation of any provision of this Act or Chapter 218 of the Kentucky Revised Statutes, a copy of the judgment and sentence and of the opinion of the court or magistrate, if any opinion be filed, shall be sent by the clerk of the court or by the magistrate to the State Department of Health.

Section 3. Section 218.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) Prescriptions, orders, and records, required by this Act or Chapter 218 of the Kentucky Revised Statutes, and stocks of narcotic drugs, shall be open for inspection only to federal, state, county, and municipal officers, whose duty it is to enforce the laws of this state or of the United States relating to narcotic drugs. No officer having knowledge by virtue of his office of any such prescription, order, or record shall divulge such knowledge, except in connection with a prosecution or proceeding in court or before a licensing or registration board or officer, to which prosecution or proceeding the person to whom such prescriptions, order or records relate is a party.

(2) No apothecary or other custodian of prescriptions, orders, or records required by this Act or Chapter 218 of the Kentucky Revised Statutes, or of stocks of narcotic drugs, shall refuse to permit the inspection thereof by any federal, state, county or municipal officer whose duty it is to enforce the laws of this state or of the United States relating to narcotic drugs.

Section 4. Section 218.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) It is hereby made the duty of the State Board of Health and the State Department of Health, its officers, agents, inspectors, and representatives, and of all peace officers within the state, and of all city, county, and Commonwealth attorneys, and the Attorney General, within their respective jurisdictions, to enforce all provisions of this Act or Chapter 218 of the Kentucky Revised Statutes and to cooperate with all agencies charged with the enforcement of the laws of the United States, of this state, and of all other states relating to narcotic drugs.

(2) For the purpose of enforcing the provisions of this Act or Chapter 218 of the Kentucky Revised Statutes, the investigators, inspectors, representatives, and agents of the State Board of Health and the State Department of Health shall have the full power and authority of peace officers in this state, including the power of arrest and the authority to bear arms, and shall have the power and authority to administer oaths, to enter upon premises at all times for the purpose of making inspections, to seize evidence, to interrogate all persons, to require the production of prescriptions, books, papers, documents or other evidence, to employ special investigators, and to expend funds for the purpose of obtaining evidence. Investigators, inspectors, representatives and agents of the State Department of Health are empowered to remove from the files of any apothecary or other custodian any narcotic prescription upon tendering a receipt therefor.

(3) It shall be the duty of the State Department of Health to make or cause to be made examinations of samples secured under the provision of this Act or Chapter 218 of the Kentucky Revised Statutes to determine whether or not any provision thereof has been violated.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

Notwithstanding the existence or pursuit of any other remedy (civil or criminal) the State Board of Health or the State Department of Health may maintain, in its own name, an action to restrain or enjoin any violation of this Act or Chapter 218 of the Kentucky Revised Statutes.

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The following property found and seized within the Commonwealth of Kentucky is hereby declared to be contraband: Any vehicle, watercraft, or aircraft in which any person is illegally possessing or transporting narcotic drugs. "Illegally possessing" means and includes the holding of any narcotic drugs unless lawfully acquired and intended for lawful uses.

(2) Any officer, agent, inspector, or representative of the State Department of Health and any peace officer within this state may, upon probable cause, without warrant seize contraband as herein defined in Subsection (1) of this section, and hold it subject to the order of the court before the owner or one in possession of the contraband has been charged with violation of this Act or Chapter 218 of the Kentucky Revised Statutes. Upon conviction of the defendant, the court shall enter an order vesting title to all the contraband property in the State Department of Health. The State Department of Health may retain and use such property in the enforcement of this Act or Chapter 218 of the Kentucky Revised Statutes or dispose of such property as hereinafter provided.

(3) (a) Contraband property included in Subsection (1) of this section shall be subject to the right of any owner or lienor whose lien is valid and of record, to intervene and establish his rights in the property by proving that the property was being used in connection with traffic in narcotic drugs without the knowledge, consent or approval of the owner or lienor. If the owner of the property does so prove, the court shall order the property restored to him. If the lienor so proves, the court shall order the sale of the property at public auction, unless an agreement is made between the lienor and the State Department of Health which shall not become final until it has been approved by the court. The State Department of Health may deliver any property found to be contraband to a lienor whose claim has been established by order of a court of competent jurisdiction, upon payment to the State Department of Health of the difference of the fair market value of the property so seized and the claim of the lienor.

(b) Where an agreement has been made between the lienor and the State Department of Health and approved by the court, a public auction shall not be required. If an agreement is not entered into between the State Department of Health and the lienor or approved by the court, and a public auction is required to be held, the public auction shall be conducted by the sheriff of the county in which the property is seized. The sheriff shall receive and be allowed the same fees as allowed for sales under execution.

(c) The expenses of keeping and selling such property and the amount of all valid recorded liens that are established by intervention as being bona fide, shall be paid out of the proceeds of the sale whether they are private or public. The balance shall be deposited in the State Treasury in a revolving fund for the use of the State Department of Health in carrying out the provisions of Chapter 218 of the Kentucky Revised Statutes.

(d) If the defendant is acquitted, no property seized as contraband in connection with the arrest of the defendant shall be ordered returned or restored unless the person from whose possession the property was taken proves that he was in lawful possession of the property, and if no other person appears and proves that he owns the property or has a valid recorded lien on the property and that the property was being used without his knowledge and consent, title shall vest in the State Department of Health at the end of ninety days.

(e) If the owners or lienholders of any contraband seized by any officer, agent, or representative of the State Department of Health, or any peace officer of this state, cannot be located within ninety days, and during that time fail to appear and claim the contraband, or if the owner or lienholder appears and agrees, title to the contraband shall immediately vest in the State Department of Health, in which event it may sell the contraband at a private sale or retain and use the vehicle for the enforcement of this Act or Chapter 218 of the Kentucky Revised Statutes.

Section 7. A new section of the Kentucky Revised Statutes is created to read as follows:

No person shall bring into, or cause to be brought into, or possess, use, or sell, upon the premises of any penal institution within the Commonwealth of Kentucky, any narcotic drug in violation of this Act or Chapter 218 of the Kentucky Revised Statutes.

Section 8. Section 218.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who sells, supplies, prescribes, administers, dispenses or furnishes, or causes to be sold, supplied, prescribed, administered, dispensed or furnished, any narcotic drug in violation of this Act or Chapter 218 of the Kentucky Revised Statutes to a person under twenty-one years of age, shall be guilty of a felony and shall be fined not more than twenty thousand dollars and confined in the penitentiary for not less than twenty years, and may be so confined for a longer period or for life.

(2) (a) Any person in possession of any narcotic drug in violation of any provision of this Act or Chapter 218 of the Kentucky Revised Statutes, except Section 218.250 of the Kentucky Revised Statutes, shall be guilty of a felony and shall, for the first offense be punished by confinement in the penitentiary for not less than two years nor more than ten years and by a fine of not more than twenty thousand dollars, and for each subsequent offense be punished by confinement in the penitentiary for not less than five years nor more than twenty years and by a fine of not more than twenty thousand dollars.

(b) Any person who violates any provision of this Act or Chapter 218 of the Kentucky Revised Statutes, for which a specific penalty is not otherwise provided, except Section 218.250 of the Kentucky Revised Statutes, shall be guilty of a felony and shall, for the first offense, be punished by confinement in the penitentiary for not less than five years nor more than twenty years and by a fine of not more than twenty thousand dollars, and, for each subsequent offense be punished by confinement in the penitentiary for not less than ten years nor more than forty years, and by a fine of not more than twenty thousand dollars.

(3) No court or judge thereof shall postpone or suspend judgment or sentence or probate a defendant when the defendant has pleaded guilty to or been convicted of selling, supplying, prescribing, administering, dispensing or furnishing, or causing to be sold, supplied, prescribed, administered, dispensed or furnished, any narcotic drug in violation of this Act or Chapter 218 of the Kentucky Revised Statutes to a person under twenty-one years of age, or when the defendant has previously pleaded guilty to or been convicted of a violation of any of the other provisions of this Act or Chapter 218 of the Kentucky Revised Statutes, except Section 218.250 of the Kentucky Revised Statutes, or has previously pleaded guilty to or been convicted of a violation of any of the narcotic laws of the United States of America or any state or territory thereof.

(4) Whenever a person charged with a violation of Subsection (1) of Section 218.250 of the Kentucky Revised Statutes waives a jury, the court or judge thereof may, upon the defendant pleading or being found guilty, sentence the defendant to imprisonment for twelve months without the intervention of a jury. Notwithstanding the provisions of Subsection (2) of Section 218.250 of the Kentucky Revised Statutes, no court or judge thereof shall postpone or suspend judgment or sentence or probate a defendant when the defendant has pleaded guilty to or been convicted of a violation of Section 218.250 of the Kentucky Revised Statutes, unless the defendant consents to enter, and forthwith enters an institution approved by the court for the treatment of narcotic addicts and remains therein until discharged by said institution; failure of the defendant to do so shall automatically revoke his probation and require the prompt entry of judgment and service of sentence in the county jail.

(5) Any person who violates Subsection (2) of Section 218.160 of the Kentucky Revised Statutes as amended herein, shall be puninshed by a fine of not less than one hundred dollars nor more than five hundred dollars, and for each subsequent offense shall be punished by imprisonment in the county jail for ninety days and by a fine of not less than five hundred dollars.

Section 9. Section 218.250 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who habitually uses narcotic drugs as defined in Section 218.010 of the Kentucky Revised Statutes shall be imprisoned in the workhouse or county jail for twelve months.

(2) In the event a conviction is had under Subsection (1) of this section in a county, quarterly, justice's or police court, such court shall have the same authortiy to postpone the entering of judgment

and the sentencing of the defendant, and to place the defendant on probation, as the circuit courts have, and the probation officers shall perform the same functions with respect to probations made under this section as they do in the case of probations made by the circuit court.

(3) Any peace officer who apprehends a person under the influence of a narcotic drug, or who hears a person state that he is addicted to the use of narcotics, shall immediately arrest such person and take him before the proper court to be dealth with according to law.

SB 103, AN ACT relating to a Dental Scholarship Program.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In enacting legislation relating to a Rural Kentucky Dental Scholarship Fund, the General Assembly has as its purpose the alleviation of the shortage of dentists in certain rural areas of the Commonwealth.

Section 2. As used in this Act, unless the context requires otherwise, "Board" means the Kentucky State Board of Dental Examiners.

Section 3. (1) There is hereby established within the Department of Health, a Rural Kentucky Dental Scholarship Fund.

(2) Commencing July 1, 1958, there shall be available each fiscal year to applicants selected by the Board with the approval of the Dental Division of the State Department of Health, ten scholarships for the study of dentistry leading to the attainment of the degree of Doctor of Dental Surgery, or some equivalent degree. If in any years less than ten scholarships are awarded, the number available but not granted shall be carried over and added to those available in succeeding years.

(3) A scholarship shall not exceed one thousand five hundred dollars per annum. No recipient of a scholarship shall receive more than six thousand dollars for his entire course of dental study.

(4) In granting scholarships the board shall make a careful and full investigation of the ability, character and qualifications of each applicant, and may personally examine each applicant. The board shall, whenever possible, grant financial assistance to the applicants with the greatest financial need, provided such persons are found to possess such qualities as give reasonable assurance of their successfully completing the course of study made possible by the scholarship.

Section 4. (1) To be eligible for a scholarship made available under this Act, an applicant must:

(a) Have been a resident of this Commonwealth for not less than five years immediately preceding the date of application.

(b) Be acceptable for enrollment in a dental school accredited by the Council on Dental Education of the American Dental Association, and approved by the board; and

(c) Furnish satisfactory evidence to the board that he does not have sufficient financial resources to enable him to study dentistry without assistance.

(2) Before a scholarship is granted, the applicant shall contract in writing with the board, that he will, within six months from the date he completes his term of study, engage in the practice of dentistry in a locality or localities within this Commonwealth to be designated by the Dental Division of the State Department of Health, at the rate of one year for each one thousand five hundred dollars received, or proportional time for lesser amounts.

Section 5. (1) If the recipient of a scholarship fails, without justifiable cause to practice dentistry in the locality designated, the entire amount of scholarship benefits received under the provisions of this Act plus six percent interest thereon, shall become due and payable. However, where the board determines there is justifiable cause for the failure to practice, it may relieve the recipient of the obligation to practice, and shall provide for repayment of the amount received plus six percent interest on any terms it deems proper.

(2) Upon recommendation of the board, the Attorney General shall institute proceedings for the purpose of recovering any amount due the Commonwealth under the provisions of this section.

(3) Failure of a recipient of a scholarship to perform his obligations with respect to his contract to practice in a designated locality shall constitute grounds for revocation of his license to practice dentistry within the Commonwealth.

Section 6. The board may promulgate reasonable rules and regulations for the purpose of carrying out the provisions of this Act.

Section 7. Funds appropriated for the purpose of the Rural Kentucky Dental Scholarship Fund, and sums received as a result of violations of service agreements shall be placed in the State Treasury to the credit of a trust or agency fund for the purpose of carrying out the provisions of this Act. Provided, however, that any sums in excess of fifty thousand dollars at the end of each biennium shall revert to the General Fund.

Section 8. For the purpose of this Act there is hereby appropriated from the General Fund to the Department of Health, the sum of $15,000 for each of the fiscal years 1958-1959 and 1959-1960.

SB 106, AN ACT relating to County Law Libraries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 172.180 of the Kentucky Revised Statutes is amended to read as follows:

Any county containing a city of the third or fourth class may adopt the following method of financing the cost of operation and maintenance of the county law library, in lieu of the method set out in KRS 172.130:

(1) Upon petition of three-fourths of the duly licensed and practicing attorneys resident in the county addressed to the circuit judge of the county, to the effect that they, as officers of the various courts of the county, recognize the need of a more adequate county law library, there being attached to said petition an attested copy of a resolution of the fiscal court of the county endorsing the adoption of this optional method of financing the cost of operation and maintenance of the county law library, the circuit judge shall enter an order upon the official order book of the circuit court of the county noting that said optional plan for the financing of the cost of operation and maintenance of the county law library has been adopted.

(2) The order shall set forth the names of each duly licensed and practicing attorney signing said petition, and the county court order book and page number containing the resolution of the fiscal court.

(3) The order shall direct the following:

(a) That the clerk of the circuit court shall forthwith cause to be delivered to the clerk of every court in the county, including quarterly, county, justices', and city or police courts, a certified copy of the order;

(b) That upon receipt of the order by the clerks of said courts there shall be taxed as costs in all actions, except examining trials and felony trials, thereafter instituted in said courts the following fee, which shall be designated as county law library fee: in quarterly, county, justices', and city or police courts, the sum of fifty cents; in circuit courts, on all civil actions, the sum of one dollar; and on all misdemeanor trials, the sum of fifty cents; and

(c) That the clerks of the various courts shall at the end of each month, pay all sums collected as county law library fee in their respective courts, during the preceding month, to the trustees of the county law library, and the clerks shall make a full report with said payment, and receive a receipt for all payments.

Section 2. Section 172.190 of the Kentucky Revised Statutes is amended to read as follows:

Upon adoption of the optional method of financing a county law library provided in KRS 172.180, the funds derived from the county law library fee shall be designated county law library fund, and said fund shall be under the sole and full control of the trustees of the county law library.

SB 115, AN ACT relating to parks, playgrounds, and recreation centers in cities and counties.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 97.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) The acquisition, development, maintenance and operation of parks, playgrounds and recreation centers is a proper municipal purpose for all cities and counties. The legislative body of any city or the fiscal court of any county may dedicate for use as parks, playgrounds and recreation centers any lands or buildings owned or leased by the city or county and not devoted to an inconsistent public use and may acquire real property for such purposes by purchase, lease, condemnation or otherwise, at any place reasonably accessible to the inhabitants of the city or county and either within or without the boundaries of the city or the county.

(2) Any two or more cities, or any city and county, may jointly establish, maintain and conduct a park and recreation system. Any school district may join with any city or county in providing and conducting public parks, playgrounds and recreation centers.

Section 2. Section 97.020 of the Kentucky Revised Statutes, is amended to read as follows:

(1) The legislative body of any city or the fiscal court of any county may establish a park, playground and recreation system and may vest the power to provide, maintain and conduct parks, playgrounds and recreation centers in a park board, board of education, playground and recreation board or other existing board. Any board so designated may maintain and equip parks, playgrounds, and recreation centers and the buildings thereon, and may employ trained and qualified park superintendents, playground directors, supervisors, recreation superintendents or other officers and employees as it deems proper. The legislative body of any city or the fiscal court of any county may, by ordinance or resolution, delegate to an established playground and recreation board any powers of authorities provided for herein, which said such board may not presently possess, and in such eventuality said presently constituted board shall thereafter be known as the ______________________ Board of Parks Playgrounds and Recreation Centers. Such a board, when delegated such powers, may carry out its powers and duties through separate divisions or may employ or contract for the services of a qualified superintendent of parks, playgrounds and recreation centers, who shall be charged with administrative responsibility for a unified program, subject to the supervision of the board.

Section 3. Section 97.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the legislative body of any city or fiscal court of any county determines that the power to provide, conduct and maintain playgrounds and recreation centers shall be exercised by a playground and recreation board, the legislative body or fiscal court may, by resolution or ordinance, establish a playground and recreation board which shall possess all the powers and be subject to all the responsibilities of KRS 97.010 to 97.050. The board shall consist of five persons to be appointed by the mayor or county judge, to serve for terms of five years and until their successors are appointed, except that the members first appointed shall be so appointed that the term of one member shall expire annually thereafter. Vacancies shall be filled in the same manner as original appointments and for the unexpired term.

(2) Where the legislative body in any city or fiscal court in any county has expanded a playground and recreation board through delegation of authority so that the same becomes a park playground and recreation board, and the said authority has been accepted by the playground and recreation board then in existence by resolution, the powers of appointment provided for in subsection 1 hereof, shall be exercised by the mayor or county judge in the same manner as is provided for a playground and recreation board. The members of such a unified board shall receive the sum of $20.00 per day for their services but no such board shall be paid more than fifty-two days in the course of each year. Members shall also receive reimbursement for necessary traveling expenses.

Section 4. Section 97.040 of the Kentucky Revised Statutes is amended to read as follows:

Any authority in which is vested the power to provide, conduct and maintain parks, playgrounds and recreation centers under KRS 97.020, may accept any grant or device or real estate or any bequest or gift of money or any donation, the principal or income of which is to be used for park, playground or recreation purposes. Money received for such purposes shall, unless otherwise provided by the terms of the bequest, be deposited with the Treasurer or Department of Finance of the City, or in the case of a County Board of Parks Playground and Recreation, with treasurer, elected by said board, who may be paid a salary for his duties, to the account of the authority having charge of said parks, playgrounds and recreation centers and may be disbursed in the same manner as money appropriated for said purposes.

Section 5. Section 97.050 of the Kentucky Revised Statutes is amended to read as follows:

Whenever the legislative body of any city or the fiscal court of any county or one of them in conjunction with a school district establishes a supervised park, playground and recreation system as provided in KRS 97.010 to KRS 97.040, or thereafter by resolution of a fiscal court empowers such a board to supervise and maintain a county forest system as authorized in Chapter 149 of the Kentucky Revised Statutes, the legislative body or the fiscal court or other authority may appropriate money out of the general funds of the city or county or authority for the purpose of expanding, equipping, maintaining and operating such park, playground and recreation and, where authorized, forest system.

Section 6. Section 97.055 of the Kentucky Revised Statutes is amended to read as follows:

For the purpose of establishing or acquiring parks, playgrounds and recreation centers, and appurtenances thereto, a playground and recreation board or a park, playgrounds and recreation board shall have the same authority to issue revenue bonds granted to cities by KRS 97.150 to 97.240 and all of the provisions of said section shall be applicable in the case of issuance of revenue bonds by such boards.

Section 7. That there is created a new section to be added to Chapter 97 of the Kentucky Revised Statutes to read as follows:

KRS 97.010 to KRS 97.050, are intended to supplement and provide an alternative method of accomplishing powers given to counties under KRS 97.790 through 97.793 and KRS 149.200 through 149.280 and a park, playground and recreation board established as herein provided, may exercise all powers set forth in the last named sections of the Kentucky Revised Statutes not in conflict therewith.

SB 116, AN ACT relating to county forests.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 149.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon the estimate and recommendation of the fiscal court, the Budget Commission, at the time of fixing the rate of the tax levies and making the appropriations for said county, may fix a tax levy which shall be uniform throughout the county for the purpose of creating and maintaining a county forestry fund and may make appropriations from such fund or from the general fund for the purchase and acquisition by the fiscal court of lands to be owned, held and maintained by such county for a permanent public forest.

(2) Where the funds acquired through operation of county forests pursuant to Section 2 thereof are insufficient for proper maintenance of such permanent public forests and where the fiscal court has by proper resolution delegated the supervision and maintenance of such forest to a park, playground and recreation board, or any other board, created pursuant to Chapter 97 of the Kentucky Revised Statutes, the fiscal court may appropriate from the forestry fund or from the general fund such sums as it feels are necessary for the proper maintenance of forest lands of said county.

Section 2. Section 149.250 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any land which shall be acquired by any county for the purpose of a permanent public forest under the provisions of KRS 149.200 to 149.270, if not growing in timber at the time of acquisition, shall be planted to trees within a period of ten years after being acquired and any county is hereby empowered to raise a sufficient sum by taxation to reforest any such land within the required period of time. All revenue derived from such forest land by the sale of timber or otherwise shall accrue to the use of the county owning and holding such land. Such revenue shall be applied first to the upkeep and maintenance of such public forest and secondly for the purchase and acquisition of such additional lands as shall be determined upon by said fiscal court and the remainder of such revenue shall be used by the county owning and holding such forest land as the fiscal court shall determine from year to year.

(2) Whenever a fiscal court has delegated the power to maintain a county forest pursuant to Section 4 hereof, to a park, playground and recreation board, organized under Chapter 97 of the Kentucky Revised Statutes, the planting of trees in said forest and the harvesting of said forest shall be managed by such board so long as said power is delegated to it and revenue received from said forestry operation, including the sale of timber or otherwise, may be expended by such board in the reasonable upkeep and maintenance of such public forest.

Section 3. Section 149.260 of the Kentucky Revised Statutes is amended to read as follows:

(1) All lands acquired under the provisions of KRS 149.200 to 149.270 shall be protected at all times, as far as possible, from fire and grazing, and shall be kept and maintained as a permanent public forest, and the timber growing thereon shall be cut in accordance with approved forestry methods and in such manner as to perpetuate succeeding stands of trees. All such forest lands shall be open to the use of the public for recreational purposes so far as such recreational purposes do not interfere with, or prevent the use of such lands to the best advantage as a public forest.

(2) Whenever a fiscal court of a county has delegated maintenance and operation of a forest as provided in Section 4 of this Act to a duly organized park, playground and recreation board, or other board created under Chapter 97 of the Kentucky Revised Statutes, the management of recreation and recreational facilities in such park shall be vested in such board.

Section 4. Section 149.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) Such public forests shall be under the supervision of the fiscal court and it is hereby authorized and empowered, either separ-

ately or in cooperation with other boards or commissions, to employ necessary and competent supervisors and laborers to properly protect and care for such forests and to perform the necessary duties connected therewith and any court owning and holding land as a public forest shall at all times have the privilege of obtaining the advice, counsel and cooperation of the Division of Forestry in the Department of Conservation in the planting of trees, the marketing of timber, the prevention of fire, and in any matter pertaining to the efficient maintenance of such public forest, provided however that where a park, playground and recreation board, or any other board, has been established in a county by action of a fiscal court as authorized by Chapter 97 of the Kentucky Revised Statutes, the fiscal court may by resolution delegate to such board, the management, control and operation of such forest including the employment of supervisors and laborers.

SB 117, AN ACT relating to metropolitan sewer districts and the construction and maintenance of facilities for surface drainage at cost of benefited property and amending Chapter 76 of the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 76.260 of the Kentucky Revised Statutes is amended to read as follows:

(1) When any drainage improvement has been authorized by the board of a metropolitan sewer district and has been approved by all necessary approving agencies, and all objections have been determined, the district shall classify the land in the designated area with reference to the benefit it will receive from construction of the improvement. In making such classification the metropolitan sewer district shall consider the impervious condition of the surface of the land the drainage facilities previously installed and other facts and benefits from feasible uses of the land. All land within the designated area shall be presumed to receive some benefit.

(2) The land benefited, other than impervious areas, may be separated into three classes for purposes of apportioning and assessing the cost of the improvement. The land receiving the highest benefit shall be marked "Class A"; that receiving the next highest benefit, "Class B"; that receiving the least benefit, "Class C". The scale of assessment shall be in the ratio of three, two, and one. Impervious areas shall be classed as "Class AA," and may be assessed at a higher rate than property in "Class A," computed in accordance with established engineering standards, but not greater than double the assessment established for "Class A" land.

(3) After such classification has been approved, the district shall prepare benefit rolls for inspection by interested persons and keep

same available in the district's offices. Notice of the preparation and existence of such rolls shall be published three times in a newspaper of general circulation in the territory designated, and shall be posted in three public places in the territory. Any owner of property in the designated territory shall have ten days from the date of publication of the third newspaper notice within which to file written objections to the classification. If any objections are filed, the district board shall, after due notice to the owner, hear, and pass upon said objections.

Section 2. Section 76.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) The cost of any drainage improvement shall be apportioned to the land in the designated area upon the basis of the benefits to real estate in each of said classes on an area basis in each classification. Area shall be determined to the nearest quarter acre, with the minimum assessment for a quarter acre. The apportionment for each property owner shall be computed by the district.

(2) The secretary-treasurer of the district shall notify each property owner by mail as to the amount of the assessment against him for any improvement constructed or on which a bid or bids for construction have been submitted under the provisions of KRS 76.240 to 76.280, or any amendment thereto. Any assessment may be paid in full at any time within thirty days from the date of the mailing of such notice. Every person who fails to pay the full amount of his assessment within thirty days shall be deemed to consent to the issuance of apportionment warrants against him and his property, unless the total assessment be not in excess of fifty dollars. Assessment not in excess of fifty dollars and a payment of fifty dollars on assessments that exceed that sum, must be paid within thirty days from date of mailing such notice. Failure to make such payments in the time provided shall be deemed to be consent by the owner to the issuance of apportionment warrants against his property and him, for the amount due, after deducting the fifty dollars then due and any additional sum paid within the thirty days.

(3) If any assessment of fifty dollars or less, or the first fifty dollars of any larger assessment, remains unpaid after thirty days from the date of the notice, a penalty of 10% shall be added and the amount due shall be certified to the sheriff of the county to be collected by him with the annual bill for county taxes, together with interest at six percent per annum on the amount of the assessment payments from the 31st day after date of the notice until paid.

Section 3. Section 76.275 of the Kentucky Revised Statutes is amended to read as follows:

(1) The secretary-treasurer of a metropolitan sewer district shall make out all apportionment warrants for the costs of construction of such drainage projects and deliver same to the contractor, dating them at the expiration of the thirty-day period for payment, for the unpaid

part of the contract price. Such apportionment warrants shall bear interest at the rate of six percent per annum, and shall be payable in equal annual installments, as provided in the resolution, with privilege of paying off the unpaid balance at any time with interest to date of payment. The metropolitan sewer district shall maintain a register of outstanding warrants.

(2) Warrants for the excess over $50.00 shall be issued against the specific property assessed and the owner or owners thereof.

(a) Warrants for the excess over $50.00 or any greater sum paid in cash, shall be payable in not exceeding nine installments (the number to be fixed by resolution.) The installment payments shall be equal in amount except that the minimum amount to be paid on any installment except the last, shall be ten dollars, and the warrant shall be fully paid when the interest has been paid and payments on principal equal the face of the warrant.

(b) A single warrant shall be issued to the contractor and signed by the metropolitan sewer district to cover the assessments of less than $50.00, and the first $50.00 of larger assessments, which are not paid thirty days from the date of notice of such assessment. Such warrant shall be payable only from sums collected by the metropolitan sewer district directly or through the sheriff of the county from the owners of property who have not paid such assessments.

Section 4. Section 76.280 of the Kentucky Revised Statutes is amended to read as follows:

(1) Following the completion of any drainage improvement under the provisions of KRS 76.240 to 76.280, or any amendments thereto, it shall be the duty of the district to keep and maintain all such improvements open, free from obstruction and in good repair, and to make minor improvements thereto. The district may, from time to time, make additional assessments to pay the cost of such maintenance and improvements.

(2) Any particular tract or tracts of land may be reclassified on the basis of a change in imperviousness or other physical condition or additional feasible uses of the land, but no tract shall be reclassified oftener than once in three years. Assessments for maintenance or improvements shall be made in proportion to the classification then in effect. No assessment shall exceed ten percent of the original assessment except for any proportional change by reason of reclassification. Not more than one assessment shall be made in any one fiscal year of the metropolitan sewer district.

(3) Provisions of KRS 76.270 as to notice of assessment, penalties and interest, and collection shall apply to maintenance and improvement assessments.

(4) All drainage assessments together with the interest thereon, any penalties for default in payment thereof, and all costs of collection shall, from the date of the filing of the classification rolls in the office

of the county clerk until paid, constitute a lien against the land assessed superior to all other liens except the liens for state, county, city, school and road taxes.

Section 5. A new section is added to Chapter 76 of the Kentucky Revised Statutes to read as fallows:

After a drainage improvement has been authorized for a designated area and an assessment made, further proceedings may be taken for additional improvements within any section of the designated area through the same procedure as specified in KRS 76.240 to 76.280 or any amendments thereto. To institute such additional improvement within the designated area it must appear that the original improvement project did not sufficiently relieve the drainage conditions within such section. The additional benefit accruing by reason of such improvement in a section of the previous project, shall not be ground for reclassification of benefits for maintenance under the original project.

SB 118, AN ACT relating to juvenile court.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of Chapter 208 of the Kentucky Revised Statutes is created to read as follows:

If the court places a child on probation, it may require the child's legal parent or guardian to post bond, of not more than five hundred dollars, conditioned on the faithful discharge of the conditions of the child's probation. If the child violates the conditions of probation, or commits another public offense, the court may declare the bond forfeited. Proceeds shall be used primarily to pay for damage that may have resulted from the child's act. Excess shall be paid into the county treasury.

SB 119, AN ACT relating to metropolitan sewer districts and the construction of sewer or drainage facilities at cost of benefited property, and amending Chapter 76 Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. That Section 76.171 Kentucky Revised Statutes be amended and revised to read as follows:

Where adequate sewers or drains have not been constructed in any territory annexed to a city of the first class since July 1, 1946, the city legislative body may, by ordinance, on recommendation of the board of a metropolitan sewer district which includes such city, construct sanitary sewers, drains or combined sewers within such territory, to connect with the city's sewer or drainage system, at the cost of the area benefited.

Section 2. That Section 76.172 Kentucky Revised Statutes be amended and revised to read as follows:

(1) The ordinance providing for the construction of sewer or drainage facilities shall describe the nature and kind of facilities to be furnished and describe the particular area to be served by the sewers or drains.

(2) The cost of the sanitary sewer, drain or combined sewer shall be assessed against the land in said area according to the number of square feet in any tract within the area described in the ordinance, but on any sanitary sewer, drain or combined sewer to be constructed of greater size than 24 inches in diameter the assessment shall include only the cost equivalent to a sewer of 24 inches diameter on the same slope, depth and materials as the designed sewer.

(3) All land included in said described territory shall be assessed, except any land located so that same cannot physically be served by the intended improvement.

(4) When the board of a metropolitan sewer district determines that such construction of sewer or drainage facilities at the cost of the property owners should be recommended to the board of aldermen of a city of the first class, the metropolitan sewer district shall cause its engineering department to prepare complete drawings and specifications for the work and to keep same available for inspection in its offices.

(5) The actual construction work of the sewers constructed pursuant to such ordinance shall be done by, or under the control of, the metropolitan sewer district.

The cost of the sewers shall include not only construction costs but costs of design, plans, inspection and administration to be paid from the assessment by adding not exceeding six percent to the bid cost of the project with said six percent being paid by the contractor to the metropolitan sewer district.

(6) A lien shall exist against the respective lots or land to be served for the cost of improvement of the sewer facilities for apportionment as hereinafter provided for, and interest thereon at the rate of six percent per annum superior to all other liens except the liens for state, county, city, school and road taxes.

(7) No error in the proceedings of the city legislative body shall exempt such property from payment after the work has been done as required by either the ordinance or contract, but the city legislative body, or the courts in which suits shall be proceeding shall make all corrections, roles and orders to do justice to all parties concerned. In no event, if the sewer facilities are made as provided, by ordinance or contract, shall the city or the metropolitan sewer district be liable for the cost of sewer facilities without the right to enforce it against the property receiving the benefit.

(8) Upon completion and acceptance of the sewer or drainage facility constructed, the metropolitan sewer district shall apportion the cost of such facility as provided above.

The secretary-treasurer of a metropolitan sewer district shall notify each property owner by mail as to the amount of the assessment against his property for said improvement. Any such landholder may pay his assessment in full at any time within thirty days from the date of mailing of the notice of assessment. Every person who fails to pay the full amount of his assessment to such metropolitan sewer district within thirty days shall be deemed to consent to the issuance of apportionment warrants.

(9) Where any assessment of $100.00 or less remains unpaid at the end of thirty days from date of the notice, a warrant, payable immediately, shall be delivered to the contractor. Where an assessment of more than $100.00 remains unpaid, the warrant shall be dated thirty days from the notice of the assessment and be payable in not more than ten installments, each payable on the anniversary of the date of said warrant. All warrants shall bear interest at the rate of six percent per annum.

(10) All warrants shall be immediately entered upon a register kept for that purpose by the metropolitan sewer district. The lien shall exist from the date of the apportionment warrant, but a lien shall not be valid against a purchaser for a valuable consideration without notice, unless the apportionment warrant is entered and registered within ten days of its issuance.

(11) When any warrant has been paid, or an offer to pay has been made, the record holder thereof shall release the lien therefor.

Section 3. That another section be added to Chapter 76 Kentucky Revised Statutes reading as follows:

That the city legislative body may, by ordinance, on recommendation of the metropolitan sewer district, require that sewer service pipes be laid from the main pipes and sewer in any public way to each lot abutting on the public way before it is paved or repaved, at the cost of the owners of the abutting lots, the cost to be fixed in the regularly adopted schedule of rates of the metropolitan sewer district for making property service connections. The notice as to completion of the sewer or drain shall include the charge for making the property service connection. Said charge shall be paid within thirty days from date of the notice.

SB 120, AN ACT relating to city manager form of government, election and term of commissioners, mayor and police judge.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 89.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) In cities of the second and fourth classes, at the first regular election at which the mayor or police judge of the city is elected after the election at which the city manager form of government was

adopted, there shall be elected by the qualified voters of the city four commissioners and a mayor, or police judge, as the case may be.

(2) In cities of the third class, at the first regular election at which the mayor of the city is elected after the election at which the city manager form of government was adopted, there shall be elected by the qualified voters of the city four commissioners and a mayor. The police judge shall be elected at the same time as he would have been elected if the city manager form of government had not been adopted.

(3) In cities of the second, third and fourth classes the commissioners shall serve for terms of two years and the mayor for a term of four years, beginning on the first Monday in January following their election. The police judge shall serve for a term of four years, beginning on the first Monday in January following his election in cities of the second and fourth classes, and on the first Monday in December following his election in cities of the third class. Every second year after the election at which commissioners were elected, and every fourth year after the election at which a mayor or police judge was elected, a primary election and regular election shall be held in the same manner for the same offices.

(4) The city manager form of government shall become effective and go into operation upon the qualification and installation in office of the mayor, or police judge, as the case may be, and the commissioners.

SB 122, AN ACT relating to the organization of county children's bureaus.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 200.140 is hereby amended to read as follows:

(1) The fiscal court of any county may establish a county children's bureau. When the fiscal court has authorized the establishment of such a bureau by an order duly made and entered, the county judge shall, with the approval of the fiscal court, appoint nine representative citizens of the county who have demonstrated an interest in child welfare, three of whom shall be women, who shall constitute the children's bureau of said county. The original appointees shall be appointed for terms as follows: two each for one year, two each for two years, two each for three years, and three each for four years. At the expiration of these initial terms each appointment thereafter shall be for a four year term. In no event shall a member serve more than two successive full four year terms. Each county bureau shall annually elect a chairman and a secretary from among its members, meet at least monthly and may hold such special meetings as are called by the chairman or by a majority in writing, and majority shall constitute a quorum for the purposes of transacting business.

(2) Members of the county bureau shall serve without compensation but may be reimbursed by the county for all necessary expenses incurred in the discharge of their official duties. The fiscal court shall provide funds for the establishment and maintenance of the county children's bureau and shall provide office space and equipment required for operation of said bureau.

Section 2. KRS 200.150 is amended to read as follows:

(1) The county children's bureau shall appoint an executive director who is fully qualified as a child welfare worker and shall serve so long as satisfactory service is rendered. The executive director shall receive a salary fixed by the bureau.

(2) The executive director may appoint and direct properly trained assistants, clerical staff, and institutional staff to such position as are authorized by the bureau, and all salaries and necessary expenses of the county children's bureau shall be paid from appropriations made by the fiscal court to the county bureau. The executive director shall carry out the policies as developed and recommended by the bureau.

(3) The county children's bureau is empowered to receive, invest, and disburse any and all gifts, grants, and bequests made for the benefit and the operation of the county bureau.

(4) The county children's bureau of two or more counties may, with the approval of their respective fiscal courts, unite in the employment of an executive director and staff; and, in the operation of such institutions, offices, and services as may be deemed necessary, the fiscal courts shall agree upon the part of the total expenses which each county shall bear, and in the procedure for the selection and removal of the director and staff, as herein provided.

(5) The county children's bureau may, from time to time, designate persons to serve for stated purposes and periods of time on such special committees as the bureau may deem expedient in the discharge of its duties.

Section 3. KRS 200.160 is amended to read as follows:

The duties of the bureau shall be as follows:

(1) Discover dependent and neglected children in the county, obtain for them benefits of the law, and provide for the care of those assigned as wards of the county by the county judge or juvenile commissioner;

(2) Administer the funds appropriated by the fiscal court, municipal government or derived from gifts, bequests, or grants for child welfare services in the county;

(3) Serve as probation and parole officers, if appointed by the county judge;

(4) Make such investigations and perform such other services pertaining to children as the fiscal court or the county judge directs. In no event shall any member or agent of the county children's bureau

enter any home, family, school, or institution without the consent of the home or family, or of the persons in charge of the school or institution, except as ordered by the county judge.

(5) Assist the state child welfare workers in the administrative performance of their duties with reference to children, and perform such services and make such reports with reference thereto as they may request;

(6) Develop policies within the county with respect to the administration and scope of child welfare services;

(7) Recommend an annual budget and present monthly financial statements to the fiscal court; and

(8) Make an annual public report to the fiscal court setting forth specific recommendations as to the needs of children in the county and the present status of children in care.

Section 4. KRS 200.170 is amended to read as follows:

The county children's bureau shall keep a full record with reference to each child received into care to whom service has been extended or concerning whom an investigation has been conducted; but the names of such persons shall not be published in any newspaper or in any way given publicity, but shall be kept confidential.

Section 5. KRS 200.180 is amended to read as follows:

A full record of the proceedings and transactions of the county children's bureau shall be kept and shall be open for inspection at any time by the members of the fiscal court and by the state child welfare workers.

Section 6. KRS 200.190 is amended to read as follows:

Upon the date of effectiveness of this Act, the county judge in any county containing a children's bureau shall make appointments to the bureau under the terms and provisions of this Act.

Section 7. Section 200.200 of the KRS is repealed.

Section 8. Section 200.210 of the KRS is repealed.

Section 9. Section 200.230 of the KRS is repealed.

Section 10. Section 200.240 of the KRS is repealed.

SB 130, AN ACT relating to rest periods for women.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No employer shall require any female to work for more than four (4) hours without rest periods for at least ten (10) minutes. This shall be in addition to the regularly scheduled lunch period. No reduction in compensation shall be made for hourly or salaried employees.

The rest period shall be optional with all employees.

Section 2. Any employer who violates Section 1 of this Act shall be fined not less than ten (10) dollars nor more than fifty (50) dollars.

SB 136, AN ACT relating to mining regulations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 352.240 of the Kentucky Revised Statutes is amended to read as follows:

(1) The use of black powder and dynamite for firing shots is prohibited in all underground coal mines in the Commonwealth, except that black powder in pellet form may be used for firing shots in conformity with regulations promulgated by the Chief of the Department of Mines and Minerals and under supervision of the chief or his representative expressly designated for such purpose.

(2) Explosives shall be fired only by electric detonators of the proper strength except as provided for in KRS 352.260.

(3) When blasting is done electrically, only permissible single shot blasting units or permissible multiple shot blasting units shall be used unless blasting is done from the surface.

(4) Individual containers used to carry permissible explosives or detonators underground shall be constructed of substantial non-conductive material. The container shall be closed and maintained in good condition. When explosives or detonators are transported underground by locomotive, rope, or shuttle car, they shall be in covered cars or in special containers.

(a) The bodies and covers of special cars and the containers shall be constructed of non-conductive material.

(b) If explosives and detonators are hauled in the same explosive car or in the same special container, they shall be separated by at least a four-inch substantially fastened hardwood partition or the equivalent.

(c) Cardox shells shall not be carried on man-trips.

(d) Where quantities of explosives and detonators are transported in special cars or in special containers in cars, they shall be hauled on a special trip, not connected to any other trip, and shall not be hauled into or out of a mine within five minutes preceding or following a man-trip or any other trip. When traveling with the air current, the explosive trip shall precede the man-trip; when traveling against the air current, the man-trip shall precede the explosive trip.

(5) Explosives and detonators shall be transported underground by belt only under the following conditions:

(a) In the original and unopened case, in special closed cases constructed of non-conductive material, or in suitable individual containers;

(b) Ample clearance shall be provided when transported by belt;

(c) Suitable loading and unloading stations shall be provided;

(d) There shall be an attendant at loading and unloading points and stop controls at these points.

(6) Explosives or detonators shall not be transported on flight or shaking conveyors, or by scraper or mechanical loading machines.

(7) Underground section boxes or magazines shall be of substantial construction and placed in a crosscut or idle room neck at least twenty-five feet from roadways or trolley wires and in a reasonably dry and well rock-dusted place; and when such section boxes or magazines are used, the explosives and detonators shall be kept in separate boxes or magazines, or if kept in the same box they shall be separated by at least a four-inch substantially fastened hardwood partition or the equivalent. Not more than a forty-eight hour supply of explosives, including any surplus remaining from the previous day, shall be stored underground in such boxes or magazines. Explosives kept near the working faces in individual containers shall be kept not less than fifteen feet from rail or power lines and in a location out of line of blast where they will not likely be subjected to shock. Detonators shall be kept in a separate container under similar conditions. Explosives and detonators shall be kept in their containers fifteen feet apart until removed for use at the working faces.

(8) Boreholes in coal shall not be drilled beyond the back of the cut, nor into the solid rib, roof or floor.

(9) Boreholes shall be cleaned and checked to see that they are placed properly and are of correct depth, in relation to the cut, before being charged.

(10) To prevent blowthroughs, all portions of the boreholes, where the height of the coal permits, shall have a burden in all directions of at least eighteen inches before being fired.

(11) Boreholes shall be stemmed with at least twenty-four inches of incombustible material, or at least two-thirds of the length of the hole shall be stemmed.

(12) Examinations for gas shall be made immediately before and after firing each shot where on-shift shooting is done in gaseous mines.

(13) When blasting coal, charges exceeding one and one-half pounds, but not exceeding three pounds, shall be used only if boreholes are six feet or more in depth, and explosives are charged in a continuous train, with no cartridges deliberately deformed or crushed, with all cartridges in contact with each other, and with the hole stemmed solidly for a depth of at least twenty-four inches.

(14) Shots shall be fired by qualified shot firers.

(15) In mines where shooting is done on shift, all shots or series of shots shall be fired immediately after charging.

(16) Only wooden tamping bars shall be used when charging holes.

(17) Leg wires of electric detonators shall be kept shunted or the ends twisted together until ready to connect to the firing cable.

(18) Shots shall not be fired from the power or signal circuit while any men are in the mine.

(19) Roof and faces of working places shall be tested before and after blasting on shift.

(20) Ample warning shall be given before shots are fired, and care shall be taken to ascertain that all persons are in the clear. Men shall be removed from adjoining working places when there is danger of a shot blowing through.

(21) Mixed charges shall not be charged or fired in any borehole.

(22) Adobe (mudcap) or other open, unconfined shots shall not be fired in any mine.

(23) Blasting cables shall be well insulated and as long as may be necessary to permit the shot firer to get in a safe place around the corner, short-circuited at the battery end until ready to attach to the blasting unit, staggered as to length or kept well separated when attached to the detonator leg wires, and kept clear of power wires and all other possible sources of active or stray currents.

(24) Where misfires occur with electric detonators, a waiting period of at least five minutes shall elapse before anyone returns to the shot. After such failure, the blasting cable shall be disconnected from the source of power and the battery end short circuited before electric connections are examined. If fuse is used, a waiting period of twelve hours shall elapse before returning to the face. Explosives shall be removed by firing a separate charge at least two feet away from, and parallel to, the misfired charge or by washing the stemming and the charge from the borehole with water, or by inserting and firing a new primer after the stemming has been washed out. A very careful search of the working place, and, if necessary, of the coal after it reaches the tipple shall be made after blasting a misfired hole, to recover any undetonated explosive. The handling of a misfired shot shall be under the direct supervision of the foreman or a competent person designated by him.

(25) The provisions governing the handling, storage and transportation of explosives shall apply to the heater elements of Cardox blasting devices prior to their installation in the shells. Charged Cardox shells shall be transported underground in insulated cars or in insulated boxes placed in ordinary mine cars except where transported on rubber belts and shall be stored on wooden racks, built for that purpose, in a crosscut or an idle room neck, at least ten feet from power lines and haulage tracks. Where Cardox is used for blasting, the following shall apply:

(a) Cardox shells need not be tamped or stemmed;

(b) When Cardox is fired, all persons in the vicinity, including the shot firer, shall be around a second corner or in an equally safe place;

(c) Blasting cables shall be as long as may be necessary to assure the safety of the shot firer, attached only after the charge has been placed in the borehole, and maintained in good repair;

(d) The charge shall be detonated with a permissible shot firing unit;

(e) Cardox shall not be shot off the solid, over heavy rock binders or shale, or in a "tight" shot;

(f) Cardox misfires caused by the failure of the disk to rupture shall not be removed from the hole until after the lapse of five minutes and shall be handled under the supervision of a foreman or other competent designated person;

(g) Misfired shells shall be bled off promptly and marked conspicuously upon removal from the hole.

(26) Where Airdox is used for blasting or breaking down the coal, the following shall apply:

(a) Compressed air shall be conducted from the compressor to within a practical working distance of the face by steel air lines tested to withstand an approximate pressure of twenty thousand pounds a square inch;

(b) Air lines shall be grounded at the compressor, and, if possible, at other low-resistance ground connections along the lines, such as at borehole casings. They shall not be connected in any way to tracks, water lines, or other electric power return conductors and shall be suitably insulated where they cross electric wires or underneath the track;

(c) Unions shall be installed in steel air lines at not more than one-thousand foot intervals;

(d) Shut-off valves shall be installed every one thousand feet in all Airdox lines and, in all branch lines, at a point near the main lines;

(e) Airdox lines shall be protected at places where equipment passes over, under, or adjacent to them;

(f) Steel or copper lines shall not be handled or repaired when air pressure is in the line;

(g) Air lines shall be examined periodically for kinks or other weaknesses and replaced immediately when defects are found;

(h) Copper tubing shall be coiled and uncoiled properly. The part of the tubing that is affected by frequent coiling and uncoiling shall be renewed periodically because of the dangers from kinks and crystallization;

(i) Blow-down valves shall not be less than forty-five feet from the face and shall be around a right angle;

(j) Holes for Airdox tubes shall not be drilled on the solid;

(k) The Airdox tube shall be pushed to the back of the drill hole and then withdrawn six to twelve inches to form an air cushion;

(l) When blow-down valves are opened to discharge the Airdox tube, they shall remain open until time to place the tube in the next borehole;

(m) After the breaking down of the coal in any one place, the tube shall be disconnected at once from the air line and not reconnected until ready to be used in the next place;

(n) When an Airdox tube fails to discharge, the copper line leading to the tube shall be disconnected at the blow-down valve, and the tube shall be dragged by means of the copper line to an abandoned place marked with warning signs, and left for twelve hours before any repair work is done thereon;

(o) All persons shall be removed from adjoining working places where there is danger of breaking through and shall be at a safe distance around a right angle, while coal breaking is in progress.

(27) Notwithstanding any provision of this section except subsection (1), the department may authorize the construction, maintenance, operation or conducting of any activity regulated by this section to be constructed, maintained, operated or conducted in a different manner than specified in any provision of this section except subsection (1), when scientific or engineering information is made available to the department substantially indicating that the different manner would afford equal or greater protection and safety than the manner required in any provision of this section.

SB 137, AN ACT relating to Chambers of Commerce.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 102.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The articles of incorporation shall be as follows:

"We, the undersigned business and professional men, resident, or conducting a business, or having a branch office, in the city of ------------------------------, county of--------------------, Kentucky, adopt the following articles of incorporation:

Article I. The objects of this corporation shall be to advance and improve civic welfare, and to advertise and develop the industries and resources of ------------------------------, Kentucky.

Article II. The name of this corporation shall be ------------ Chamber of Commerce.

Article III. The affairs of this corporation shall be conducted by a board of not less than six directors, and such officers as may be established by the bylaws of the corporation.

Article IV. The annual dues of the members of this corporation shall be not less than twelve dollars, payable as provided in the bylaws of the corporation.

Article V. Any resident of the city or county, or any firm or individual operating a business or branch office therein, whose application meets with the approval of the board of directors, may become a member by paying the first dues, and thereafter complying with the articles of incorporation and bylaws.

Article VI. This corporation shall continue until terminated by operation of law.

Article VII. The board of directors shall adopt such bylaws as they deem necessary for the regulation of the affairs of this corporation.

(2) The articles of incorporation shall be recorded by the county clerk without fee."

SB 128, AN ACT relating to Dental Service Plan Corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act unless the context requires otherwise:

(1) "Board" means the Kentucky State Board of Dental Examiners.

(2) "Dental service" means the general and usual services rendered and care administered by doctors of dentistry.

(3) "Dental service plan" means a plan or arrangement under which dental services are or may be rendered to a subscriber by a licensed dentist at the expense of a dental service plan corporation.

(4) "Participating dentist" means a doctor of dentistry who is a member of a dental service plan corporation as provided by this Chapter.

Section 2. (1) A corporation may be organized as a dental service plan corporation under the provisions of KRS Chapter 273 to render limited or unlimited dental service as provided in this Act.

(2) The articles of incorporation of every dental service plan corporation shall be presented to both the Commissioner of Insurance and the board for approval. The approval shall be endorsed in writing before the articles are filed in the office of the Secretary of State or recorded in the county clerk's office.

(3) Before the board and the commissioner shall approve such articles of incorporation, they shall determine that the proposed corporation is in the public interest.

Section 3. (1) No dental service plan corporation shall engage in business until it has deposited with the Custodian of Insurance Securities, securities acceptable to him in the sum of five thousand dollars to insure that it will faithfully comply with its contracts for dental service. This security shall remain on deposit during the life of the corporation. Reasonable additional security may be required by the Commissioner of Insurance after the corporation has written contracts in excess of five thousand in number.

(2) The funds of the corporation shall be invested only in securities permitted by the laws of this state for investment of assets of life insurance companies.

Section 4. No dental service plan corporation shall operate in any county unless fifty-one percent of the eligible licensed doctors of dentistry, practicing in that county, are participating dentists.

Section 5. (1) Every doctor of dentistry licensed to practice in this state under the provisions of KRS Chapter 313, and in good standing, shall have the right to become a participating dentist in the dental service plan corporation operating in the county in which he resides or practices for general or special dental care, as the case may be, under such terms and conditions as are imposed on other participating dentists under similar circumstances. A dental service plan corporation shall impose no restrictions on the doctors of dentistry who treat its subscribers as to methods of diagnosis or treatment, or as to rights to engage in other practice. The private dentist-patient relationship shall be maintained and the subscriber shall at all times have free choice of any doctor of dentistry who is a participating dentist in the corporation and who agrees to accept a particular beneficiary as a patient.

(2) Members of a dental service plan corporation shall enter into written agreements with the dental service plan corporation agreeing to perform the dental services specified by the corporation at such rates of compensation as will be determined by the board of directors of the corporation, and agreeing to abide by the bylaws, rules and regulations of the corporation.

Section 6. No contract for dental service shall be issued to contract holders until it has been approved in writing by the board. No participating dentist shall enter into any contract until the contract has been approved in writing by the board.

Section 7. (1) The rate to be charged by a dental service plan corporation to the subscribers for dental service shall be filed with the commissioner and shall at all times be subject to his approval.

(2) In order that the corporation may remain solvent, all costs or expenses in connection with the conduct of the corporation, including salaries, commissions, expense allowances, solicitation of subscribers and overhead shall at all times be subject to the approval of the commissioner. No payment shall be made by the corporation except for dental services or for services actually rendered in the operation of the corporation.

Section 8. Every dental service plan corporation shall annually as of March 1 file in the office of the commissioner a statement verified by at least two of the principal officers of the corporation, showing its financial condition on December 31 next preceding, which shall be in the form and contain the matters prescribed by the commissioner. The commissioner or any person he so designates may examine the affairs of any dental service plan corporation and have free access to all the books, papers and documents that relate to the business of the corporation. They may summon and qualify a witness under oath to examine its officers, agents, or employes or other persons in relation to the affairs and transactions and condition of the corporation. The cost of the examination shall be paid by the corporation as provided by law for the examination of insurance companies.

Section 9. Any dissolution or liquidation of a dental service plan corporation shall be accomplished in the same manner as is provided by the laws of this state pertaining to the dissolution or liquidation of insurance companies.

Section 10. (1) The laws of this state pertaining to the licensing of casualty insurance agents which provide penalties for violations and for suspension and revocation of agents' licenses and prohibit unauthorized insurance companies from doing business in this state, and the laws relative to the enforcement of contracts with such companies, shall apply to dental service corporations and their agents.

(2) A dental service plan corporation shall be exempt from all provisions of the insurance laws of this state, except as otherwise specifically provided in this Act. No amendment to the insurance laws shall apply to dental service plan corporations, unless the amendment specifically so states.

SB 141, AN ACT relating to taxation of cigarettes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The liability for, or the incidence of, the tax on cigarettes is declared to be a levy on the consumer. The distributors shall add the amount of the tax on cigarettes presently levied to the price of the cigarettes and the distributor may state the amount of the taxes separately from the price of such cigarettes on all price display signs, sales or delivery slips, bills and statements which advertise or indicate the price of such cigarettes. The provisions of this section shall in no way affect the method of collection of such taxes on cigarettes as now provided by existing law.

SB 142, AN ACT relating to disposal of dead bodies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No person shall cremate the body of a deceased person without first obtaining from the coroner in the county in which the death occurred, a written certificate stating the cause of death and authorizing the cremation of the body. Such certificate shall be filed with the local Registrar of Vital Statistics in the same manner as other death certificates.

Section 2. Any person who violates section 1 shall be fined not less than $1000 nor more than $5000 or imprisoned in the county jail for not less than thirty days nor more than one year, or both.

Section 3. Section 213.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) When a death occurs without a physician in attendance, the undertaker shall give notice of the death to the registrar, who shall then refer the case to the local health officer for immediate investigation and certification, prior to issuing the burial permit. If the circumstances of the case render it probable that the death was caused by crime, suicide, or by drowning or other sudden cause, or death occurred without the attendance of a physician at any time during the thirty-six hours immediately prior to death, or if the body is to be cremated or transferred out of the state for burial, the registrar shall refer the case to the coroner for his investigation and certification.

(2) Any coroner whose duty it is to hold an inquest on the body of any deceased person, and to make the certificate of death required for a burial permit, shall state in his certificate the nature of the disease or the manner of death. If the death was from external causes of violence, he shall state whether in his opinion the death was accidental, suicidal or homicidal. He shall in any case furnish the information required by the Division of Vital Statistics to properly classify the death.

Section 4. Section 213.130 of the Kentucky Revised Statutes is amended to read as follows:

No sexton or person having charge of or being the owner of any cemetery, crematorium or other premises in which dead bodies are interred, cremated, or otherwise disposed of, shall inter, cremate, or permit the interment, cremation, or other disposition of the body of any deceased person on such premises unless it is accompanied by a burial, removal, or transit permit such as is required by KRS 213.110. Each such person shall indorse upon the permit, over his signature, the date of interment, cremation or other disposition of the body, and return all permits so indorsed to the local registrar within ten days from the date of interment, or within the time fixed by the local board of health. He shall also keep a record of all interments, cremations, or other dispositions of bodies made on the premises under his ownership or charge, stating the name of the deceased, his place of birth, the date of burial, cremation or other disposition, and the name and address of the undertaker. This record shall at all times be open to public inspection.

SB 145, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Upon the demand of any employer who has, or claims to have, made the report to the Workmen's Compensation Board required by KRS 342.330, or of any employe who is or may be affected by the making of, or failure to make, such a report, or by any court, the board shall furnish a certificate showing that a specified report has or has not been made to the board, and, if made, the date thereof. Such certificate shall be admissible in evidence on the issue of compliance or non-compliance with the provisions of KRS 342.330 and KRS 342.990 (1), and on the issue of whether and if so, when, the employer acquired knowledge that the employe referred to in said certificate claimed to have sustained a compensable injury or to have contracted an occupational disease, but shall not be used for any other purpose. Except as just provided, every report required to be made by KRS 342.330 shall be made without prejudice either to the employer making such report or to the employe who is the subject thereof, or his dependents, and all such reports shall be made only for the confidential use of the Workmen's Compensation Board; and no such report shall be used by either party as evidence in any hearing or trial arising out of any accident or injury referred to therein.

SB 146, AN ACT relating to the closing of public offices.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 61.160 of the Kentucky Revised Statutes is hereby amended to read as follows:

Public offices in counties containing a city of any class may close any one work day of any week.

SB 149, AN ACT changing the classification of the City of Glasgow, in Barren County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Glasgow, in Barren County, is such as to justify its being assigned to the third class of cities.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

That the City of Glasgow, in Barren County, is hereby transferred from the fifth to the third class of cities.

SB 153, AN ACT relating to tax supervisors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 133.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board of supervisors shall convene at the county seat on the first week day in May in 1954 and on the second Monday in May in each year thereafter; except that no meeting shall be held until the tax roll has been completed and until after the inspection period provided by law. All records of the county tax commissioner shall be available to the board of supervisors while meeting.

(2) The board of supervisors shall continue in session until all appeals are heard and decided; except that it shall not continue in session more than ten days after it convenes in 1954 nor more than five days after it convenes in each year thereafter, unless an extension of time is authorized by the Department of Revenue upon request of the county judge. Each supervisor shall be paid twenty dollars for each day he serves, except that if the board consists of more than three members, each supervisor shall be paid ten dollars for each day he serves. This compensation shall be paid one-half out of the county levy and the other half out of the State Treasury.

SB 154, AN ACT relating to Workman's Compensation concerning lump-sum settlement, when and how made, and amending KRS 342.150.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Whenever compensation has been paid for not less than six months, thereafter, on the application of either party and upon notice to the other party, in any case where the board determines that it will be for the best interests of either party and will not subject the employer or his insurer to an undue risk of overpayment, future payments of compensation or any part thereof may be commuted to a lump sum of an amount which will equal the total sum of the probable future payments so commuted, discounted at four percent per annum on each payment. Upon payment of such lump sum all liability for the payments therein commuted shall cease.

SB 155, AN ACT relating to small loan companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 288.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every licensee may lend any sum of money not exceeding three hundred dollars and may charge, contract for, and receive

thereon interest at a rate not exceeding one percent per month on any remainder of the unpaid principal balance of the loan.

(2) No amount whatsoever shall be paid, deducted, or received in advance. Interest shall not be compounded and shall be computed only on unpaid principal balances. The maximum interest permitted on loans shall be computed on the basis of the number of days actually elapsed and for the purpose of such computations a month shall be any period of thirty consecutive days. No further charge whatsoever shall be made for examination, service, brokerage, commission, expense, fee, bonus or any other thing, except the lawful fees actually and necessarily paid out by the licensee to any public official for filing or recording in any public office any instrument securing the loan.

(3) No licensee shall induce or permit any borrower to split up or divide any loan nor permit any one borrower or any husband or wife individually or together to become indebted to him under more than one contract of loan at the same time if the actual amount of the indebtedness on any one of such contracts is in the amount or of the value of three hundred dollars or less and there is charged, contracted for, or received thereon, directly or indirectly, by any device, subterfuge, or pretense whatsoever, any interest, or consideration therefor greater than six percent per annum.

(4) No licensee shall directly or indirectly charge, contract for or receive any interest or consideration greater than six percent per annum upon any loan in the amount or of the value of more than three hundred dollars, or in any case in which the licensee permits any individual as borrower, endorser, guarantor, or surety for any borrower, or otherwise, to owe directly or contingently, or both, to the licensee at any time the sum of more than three hundred dollars for principal.

SB 158, AN ACT relating to terms of court in the forty-first judicial district.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The introductory phrase and subsection (41) of Section 23.050 of the Kentucky Revised Statutes are amended to read as follows:

The regular term of each court shall commence in each county at the following named time, and continue, if the business requires it, the number of days hereinafter prescribed:

(41) Forty-first district. Leslie County, at Hyden, on the first Monday in March, eighteen juridical days, on the first Monday after July 4, eighteen juridical days, and on the second Monday in November, eighteen juridical days;

Clay County at Manchester, on the first Monday in January, the first Monday in May, and the first Monday in September, twenty-four juridical days each;

Jackson County at McKee, on the second Monday in February, and the second Monday in June, twelve juridical days each, and on the second Monday in October, twelve juridical days.

SB 162, AN ACT relating to establishment of public street lighting districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Public street lighting districts may be established in the following manner:

(1) A petition signed by at least fifty-one percent of the voters, as determined by the registration books covering such territory, shall be filed in the office of the circuit court clerk of the county in which the greater part of the proposed district is located not less than twenty days before the first day of the next calendar month, notice of the filing of such petition and the object thereof having been published in two issues of some newspaper of general circulation in the county, and by notices posted for at least ten days before the commencement of the said court, one at the courthouse door, and three others at public places within the bounds of the proposed public street lighting district, the petition setting out the metes and bounds of the proposed public street lighting district to include only property within three hundred feet from the center of the portion of the street or highway proposed to be illuminated, the number of voters thereof, and such other facts as may be thought proper.

(2) On the second day of the term, and in courts of continuous session on the day provided for in such notice, the court shall, if proper notice has been given, and publication made, and no written objection, remonstrance or defense is interposed, enter a judgment establishing a public street lighting district in accordance with the prayer of the petition, naming it, and describing the boundary thereof by metes and bounds.

(3) Defense, objection or remonstrance may be made to the petition by any inhabitant of the proposed public street lighting district, or any person owning property therein. In such case, the court shall hear the case and render a judgment establishing or refusing to establish the public street lighting district as may seem proper. Such proceeding shall be in accordance with the Rules of Civil Procedure.

(4) In no event shall any public street lighting district include within its metes and bounds any territory which is more than three hundred feet from the center of the part of the street or highway sought to be illuminated.

Section 2. (1) The county judge shall call an election in such district, to be held not later than thirty days after entry of the judgment. Thereafter an election shall be held on the first Saturday in May of each year. All registered voters, as determined by the registration books covering such territory, and no other, shall be eligible to vote. At such election three public street lighting district trustees shall be elected, who shall be resident taxpayers and voters of the public street lighting district. The first trustees elected shall hold office as follows: The candidate receiving the highest number of votes shall be elected for a term of three years; the candidate receiving the second highest number of votes shall be elected for a term of two years, and the candidate receiving the third highest number of votes shall be elected for a term of one year. In case of tie, the issue shall be determined by lot. On the expiration of terms of offices, the successor of the trustee whose term has expired shall be elected for a term of three years. In the event of a vacancy in any term, and there are two remaining trustees, the remaining trustees shall elect a trustee to fill out the unexpired term. If there are less than two trustees remaining the county judge shall fill the vacancies. All trustees shall hold office for the terms of their election and until their successors are elected and qualified.

(2) Such persons as are delegated by the county judge for that purpose shall preside at the election in each public street lighting district. Said election shall be held on the day designated by the county judge at such places in the district selected by the county judge, and shall be by printed ballot, the polls to be open from 6:00 a.m. to 5:00 p.m. The county judge shall make regulations for the tabulation of the ballots, such tabulation to be held immediately upon the close of the polls. All expenses incident to such election, including the providing and printing of ballots, shall be paid out of the funds of the district.

(3) Such trustees shall elect from their number a chairman and a secretary and treasurer, the latter of whom shall give bond in such amount as shall be determined by the county judge of the county in which the public street lighting district is located, conditioned upon the faithful discharge of the duties of his office, and the faithful accounting for all funds which may come into his possession. The premiums on such bonds shall be paid out of the funds of the district.

Section 3. The territorial limits of an established public street lighting district as established under this Act may be enlarged or diminished in the following way:

(1) The public street lighting district trustees shall file a petition in the circuit court clerk's office of the county in which that district and the territory to be annexed or stricken off, or the greatest part thereof, is located, not less than thirty days before the next regular term of said court, and in courts of continuous session not less than thirty days before the first day of a succeeding calendar month describing the territory to be annexed or stricken and setting out the reasons therefor. Notice of the filing of such petition shall be given by publication and posting in the same manner as provided for in subsection (1) of Section 1 of this Act.

(2) On the second day of the term, and in courts of continuous session on the day fixed in the notice, the court shall, if the proper notice has been given, and publication made, and no written defense, objection or remonstrance is interposed enter a judgment annexing or striking off the territory described in the petition.

(3) Fifty-one percent or more of the freeholders of the territory sought to be annexed or stricken off may, at any time before the next regular term of said court and in courts of continuous session at any time before the date fixed in the notice, remonstrate in writing, filed in the clerk's office, to the action proposed. If such written remonstrance be filed said clerk shall promptly give notice to the trustees of the public street lighting district, and the court shall promptly set the case for hearing. If, upon such hearing, the court finds from the evidence that a failure to annex or strike off such territory will materially retard the functioning of the public street lighting district and materially affect adversely the owners and inhabitants of the territory sought to be annexed or stricken off, it shall enter a judgment granting the annexation or striking off of the territory. In the latter event, no new petition to annex or strike off all or any part of the same territory shall be entertained for a period of two years. The pleadings and practice herein provided shall be the same as in civil cases, and in accordance with the Kentucky Rules of Civil Procedure.

Section 4. The property in any territory annexed to a public street lighting district shall not be liable to taxation for the purpose of paying any indebtedness incurred by the public street lighting district prior to the date of the annexation of such territory. The property in any territory stricken off from a public street lighting district shall not be relieved of liability of such taxes as may be necessary to pay its proportionate share of the indebtedness incurred while such territory was a part of that district.

Section 5. The trustees of a lighting district are hereby authorized to establish and operate a public street lighting district and to levy a tax upon the property in said district, subject to county tax, and not exceeding thirty cents per one hundred dollars of evaluation as assessed for county taxes, for the purpose of defraying the expenses of such establishment, maintenance, erection, and operation of said public street lighting department or district, or to make contracts for public street lighting for such district. After the tax has been levied as herein provided, such trustees shall certify the same to the sheriff of the county in which the public street lighting district is located, who shall collect such tax when and as the county taxes are collected by him. Any delinquent public street lighting district taxes shall be subject to the same interest and penalties as do delinquent county taxes. For the collection of the tax the sheriff shall be entitled to a commission of one percent of the amount collected.

Section 6. This Act shall apply only to a County that does not contain an incorporated city within its territorial limits.

SB 163, AN ACT relating to hunting and fishing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Any citizen of the Commonwealth who has a medical disability of twenty percent or more brought about through military service in World War I, World War II or the Korean conflict may make application to the Department of Fish and Wildlife Resources, upon a form furnished by the department, for a hunting or fishing license. The department shall make reasonable regulations for establishing proof of such service-connected disability or service aggravated condition.

(2) Upon presentation of evidence of such disability and determination that public safety will not be endangered thereby, the department shall issue a hunting or fishing license without cost to such applicant.

SB 166, AN ACT relating to nuclear energy.

WHEREAS, the peaceful use of atomic energy presents problems of legislation and regulation by both the Federal and State governments within the orbits of their respective jurisdictions;

WHEREAS, it is deemed desirable that the Commonwealth of Kentucky promptly enact appropriate legislation applicable to the many aspects of the peaceful use of atomic energy in order to obtain maximum benefits and safety for the people of the Commonwealth; and

WHEREAS, it is deemed desirable that the Commonwealth of Kentucky establish and maintain an environment favorable to the development of industrial, education and scientific applications of atomic energy;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. DECLARATION OF POLICY

(1) The General Assembly of the Commonwealth of Kentucky endorses the action of the Congress of the United States in instituting a program to encourage widespread participation in the development and utilization of atomic energy for peaceful purposes to the maximum extent consistent with the common defense and security and with the health and safety of the public; and therefore, in enacting this legislation, it is the intention of the General Assembly to provide for:

(a) Active participation in the program thus instituted; and

(b) The exercise of legislative and regulatory powers of the Commonwealth so as to aid and assist for the common good, and, within the limits of proper Federal jurisdiction, the enforcement of the provisions of the Atomic Energy Act of 1954 and amendments and regulations issued thereunder.

(2) The General Assembly recognizes that the development, utilization and production of atomic energy may result in new conditions calling for changes in the laws of the Commonwealth and in regulations issued thereunder with respect to health, safety, and working conditions; workmen's compensation; transportation and public utilities; life, health, accident, fire and casualty insurance; the conservation of natural resources, including wildlife; and the protection of streams, rivers and air space from pollution; and therefore declares the policy of the Commonwealth to be:

(a) To adapt its laws and regulations to meet the new and changing conditions in ways that will encourage and support a prudent program of information and research relative to nuclear development in the fields of education, science, agriculture, industry, transportation, medicine, public health, and all other fields of endeavor which may aid in or be benefited by nuclear development and nuclear science and engineering, while at the same time protecting the public interests;

(b) To assure continuing studies of the need for changes in the relevant laws and regulations by the respective departments and agencies of the Commonwealth which are responsible for their administration; and

(c) To assure coordination of the studies thus undertaken, particularly with other atomic development activities within the Commonwealth and with the development and proper regulatory activities of other states and of the government of the United States.

SECTION 2. DEFINITIONS.

As used in this Act, unless the context otherwise requires:

(1) "Atomic energy" means all forms of energy released in the course of nuclear fission or nuclear transformation.

(2) "By-product material" means any radioactive material, except special nuclear materials, yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing nuclear materials.

(3) "Production facility" means (a) any equipment or device capable of the production of special nuclear material in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and safety of the public; or (b) any important component part especially designed for such equipment or device.

(4) "Special nuclear material" means (a) plutonium and uranium enriched in the isotope 233 or in the isotope 235 and any other material after the United States Atomic Energy Commission has determined the material to be such; or (b) any material artificially enriched by any of the foregoing.

(5) "Utilization facility" means (a) any equipment or device, except an atomic weapon, capable of making use of special nuclear materials in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and

safety of the public, or peculiarly adapted for the making use of atomic energy in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and safety of the public; or (b) any important component part especially designed for such equipment or device.

SECTION 3. CONDUCT OF STUDIES AND ADOPTION OF REGULATIONS RELATIVE TO NUCLEAR ACTIVITIES.

(1) Each of the following departments and agencies of the State government is directed to initiate and to pursue continuing studies as to the need for changes in the laws and regulations administered by it that would arise from the presence within the Commonwealth of special nuclear materials and by-product material and from the operation herein of production or utilization facilities, and on the basis of such studies, and in accordance with this Act are authorized to adopt such reasonable rules and regulations relative to its functions as are necessary to meet the needs of the Commonwealth. These departments and agencies shall also conduct studies in such other matters and activities relating to nuclear energy, as the Governor may direct and for the purposes specified by him; and shall bring to the attention of the agencies hereinafter designated for that purpose the findings and appropriate steps indicated by such studies.

(a) State Department of Health, particularly as to hazards to public health and safety, including the protection of air space and all ground and surface waters, in cooperation with other pollution control agencies;

(b) The Department of Industrial Relations and the Workmen's Compensation Board, particularly as to hazardous working conditions and to the time and character of proof of claim of injuries and disease and the extent of the compensation liable therefor;

(c) The Department of Motor Transportation, particularly as to the transportation of special nuclear materials and by-product material on highways of the Commonwealth;

(d) The Railroad Commission, particularly as to the transportation of special nuclear materials and by-product material by common carriers in intrastate commerce on the railroads of the Commonwealth;

(e) The Department of Aeronautics, particularly as to the transportation of special nuclear materials and by-product material by air;

(f) The Public Service Commission, particularly as to the participation by public utilities subject to its jurisdiction in projects looking to the development of production or utilization facilities for industrial or commercial use;

(g) The Department of Insurance, particularly as to the insurance of persons and property from hazards to life and property resulting from atomic energy development;

(h) Department of Conservation, particularly as to the hazards, if any, to the natural resources of the Commonwealth;

(i) Department of Fish and Wildlife Resources, particularly as to the protection of wildlife within the Commonwealth;

(j) Department of Mines and Minerals, particularly as to the possibility of disposal of radioactive wastes in subterranean areas;

(k) Such other departments and agencies (including additional departments and agencies of political subdivisions of the Commonwealth) as the Governor may direct and for the purposes specified by him.

SECTION 4. COORDINATION OF RULES AND REGULATIONS.

(1) All rules and regulations, except emergency regulations adopted in pursuance to KRS Chapter 13, proposed in accordance with Section 3 of this Act, shall be submitted to the Advisory Committee on Nuclear Energy not less than thirty days prior to filing of such rules and regulations with the Legislative Research Commission, for the purpose of coordination by the Advisory Committee on Nuclear Energy.

SECTION 5. ADVISORY COMMITTEE ON NUCLEAR ENERGY.

(1) There shall be a committee, attached to the Department of Economic Development, to be known as the Advisory Committee on Nuclear Energy, to advise and coordinate with the Governor in respect to atomic energy developments, industrial or otherwise, within the Commonwealth. The committee shall consist of not more than seventeen members, appointed by the Governor from the various activities in which nuclear energy exerts the greatest influence. Members shall be residents of the Commonwealth. Members of the Kentucky Advisory Committee on Nuclear Energy created by executive order dated June 13, 1957, shall succeed to membership on the committee created by this Section and continue to serve at the discretion of the Governor, provided they hold such membership on the effective date of this Act.

(2) The Director of the Nuclear Information, Department of Economic Development, shall be ex-officio the executive secretary of the committee, and shall serve as coordinator and provide administrative services for accomplishing through his parent organization, the Department of Economic Development, the adopted directives of the committee.

(3) The members of the Committee shall receive no salary for services performed on such committee, but may be reimbursed for necessary and actual travel expenses incurred in connection with attendance at official meetings of the committee or subcommittees thereof.

SECTION 6. FUNCTIONS OF THE COMMITTEE.

The committee shall evaluate studies, recommendations, and proposals of the several departments and agencies and shall act as an advisory and coordinating group in the development and regulatory activities of the Commonwealth relating to atomic energy, including cooperation with other states and with the government of the United States. The committee shall be responsible for keeping the Governor and the interested departments and agencies informed through the Director of Nuclear Information, Department of Economic Development, as to private and public activities affecting atomic developments and may enlist the cooperation of departments and agencies in taking action to further such development.

SECTION 7. DIVISION OF NUCLEAR INFORMATION.

(1) There shall be a Division of Nuclear Information in the Department of Economic Development. The division shall be staffed by a director, and such other personnel as may, in the opinion of the Commissioner of Economic Development, be necessary to its function. The division, under administrative control of its parent department, shall function as the principal operational agency of the Commonwealth in promoting peaceful uses of atomic energy consistent with the health, safety and welfare of the Commonwealth. The director shall be a citizen of the United States and a resident of the Commonwealth of Kentucky.

(2) So far as may be practicable, the Division of Nuclear Information and the Advisory Committee on Nuclear Energy shall coordinate studies conducted, recommendations and proposals with like activities in other states and in the South as a region, and with the policies and regulations of the United States Atomic Energy Commission.

SECTION 8. IMPLEMENTATION OF ACT.

The Advisory Committee on Nuclear Energy shall formulate and recommend to the Governor rules and regulations which are reasonably necessary to implement or carry out the provisions of the Act.

SECTION 9. UNITED STATES LICENSES OR PERMITS.

No person shall manufacture, construct, produce, transfer, acquire or possess any special nuclear material, by-product material, production facility, or utilization facility within this Commonwealth unless he has complied with the Federal Atomic Energy Act of 1954 and amendments thereto and the rules and regulations promulgated by the United States Atomic Energy Commission.

SECTION 10. INJUNCTION PROCEEDINGS.

Whenever, in the opinion of the Attorney General, any person is violating or is about to violate any of the provisions of this Act, or is violating or is about to violate any of the rules and regulations promulgated under this Act, the Attorney General may apply to the appropriate court for an order enjoining the person from engaging or continuing to engage in the violative act, and upon a showing that such person has engaged, or is about to engage in such activity, a restraining order or permanent or temporary injunction, or any other appropriate order may be granted.

SB 167, AN ACT relating to adoption of children, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any person who has been a resident of any United States Army post, military reservation or fort within the State of Kentucky for one year, or a resident of this State who has resided on such United States Army post, military reservation or fort together aggregating one year before filing of the petition, may bring an action for adoption of a child in any county adjacent to said Army post or military reservation.

Section 2. Whereas there are now pending petitions for adoption and applications for same by various military personnel on military posts or reservations within the boundaries of this Commonwealth, and whereas it is imperative that such petitions and applications be disposed of forthwith, an emergency is hereby declared to exist and this act shall become effective upon its passage and approval by the Governor.

SB 168, AN ACT relating to the Establishment, Operation, and Regulation of Independent Business Schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

"Independent Business School" means an educational institution privately owned and operated by an owner, partnership, or corporation offering business courses for which tuition is charged in such subjects as typewriting, shorthand (manual or machine), filing and indexing, receptionist's duties, key-punch, teletype, penmanship, bookkeeping, accounting, office machines, business arithmetic, English, business letter writing, salesmanship, personality development, leadership training, public speaking, real estate, insurance, traffic, management, business psychology, business management, economics, and other related subjects of a similar character. (Exempt from this Act are schools offering a four-year college course recognized by the State Department of Education, and religious and non-profit independent business schools exempt from taxation under the laws of this state).

Section 2. Certificate Requirements.

(1) No person, partnership, or corporation shall conduct, operate, maintain, or establish an independent business school unless a certificate of approval therefor has been issued by the Superintendent of Public Instruction. The certificate shall be displayed in a conspicuous place within the main office of the school at all times.

(2) Every certificate shall expire on the thirtieth day of June of each year. The State Board of Education shall issue a new certificate for the ensuing year, in the absence of any reason or condition which might warrant the refusal of the granting of the certificate, upon receipt of the written request of the applicant and the annual fee therefor, as herein required.

(3) Every person, partnership, or corporation desiring to obtain a certificate of approval shall make a verified application to the Superintendent of Public Instruction upon forms prepared and furnished by the State Board of Education, setting forth the following information:

(a) The title or name of school, together with ownership and controlling officer thereof.

(b) The specific fields and courses of instruction which will be offered.

(c) The place or places where such instruction will be given and a description of the physical and sanitary facilities thereof.

(d) A specific listing of the equipment available for instruction in each field and course.

(e) The education and teaching qualifications of instructors and supervisors.

(f) Each initial application for a certificate shall be accompanied by a filing fee of $50. There shall be an annual renewal fee of $25. No fee shall be charged for a suplementary application for the approval of additional fields or courses of instruction. No change in address may be effected for any independent business school without the approval of the Superintendent of Public Instruction.

Section 3. State Board of Education to Make Rules and Regulations.

The State Board of Education shall promulgate and enforce reasonable regulations, not inconsistent herewith, to properly administer the provisions of this Act.

Section 4. Advisory Committee. Appointment of; Duties.

There shall be an advisory committee consisting of five members from the independent business schools who are owners or administrators appointed by the Superintendent of Public Instruction to advise and consult with the State Board of Education in the development of regulations and standards and the insuring of compliance with the provisions of this Act. The members of the committee shall be appointed for terms as follows: two members for one year terms and one member for two, three and four year terms respectively. All subsequent appointments shall be for a term of four years.

Section 5. Any agent representing an independent business school located within or without the State of Kentucky shall make application for an independent business school agent permit to the Superintendent of Public Instruction in writing, using forms prepared by the State Board of Education. Each application shall state the name of the school which the applicant will represent and shall contain such other information as the State Board of Education may require; shall be verified under oath by him, and shall be accompanied by the certificate of two reputable persons certifying that the applicant is truthful, honest, and of good reputation, and recommending that a permit as an agent be granted to the applicant. The fee for an original permit as an agent shall be $25, and there shall be an annual renewal fee of $10. A separate permit shall be obtained for each school represented by the agent. If the application is approved, the Superintendent of Public Instruction shall issue, sign, and deliver a permit to the applicant, who shall have same on his person at all times he is acting as an agent for his school.

Section 6. The State Board of Education may suspend or revoke a certificate for such period of time and upon such terms and conditions as it may deem proper, for any of the following causes:

(1) Obtaining a certificate through false or fraudulent representation.

(2) Making any substantial misrepresentation.

(3) Making any false promises of a character likely to influence, persuade or induce.

(4) Pursuing a continued and flagrant course of misrepresentation or making false promises through agents or advertising or otherwise.

(5) Any other conduct that constitutes improper, fraudulent, or dishonest dealing or practice.

Any unlawful act or violation of any of the provisions of this Act upon the part of any agent or employee of an independent business school shall not be cause for the suspension or revocation of the certificate of approval unless it shall appear to the satisfaction of the State Board of Education that any one or more of the controlling officers, members or managing employees had knowledge thereof.

Section 7. Any person or corporation violating the provisions of this Act shall, if a person, be punished by a fine of not to exceed $500, or by imprisonment for not to exceed one year, or both such fine and imprisonment; and, if a corporation shall be punished by a fine of not to exceed $1,000. Any officer or agent of a corporation or member, or agent of a partnership or association, shall be subject to the penalties herein prescribed for individuals; and the County Attorney of the county where such offense is committed shall prosecute all persons violating the provisions of this Act upon proper complaint being made.

Section 8. Whereas, many independent business schools within the Commonwealth will soon start new terms and are now soliciting new students for enrollment, and the schools and students are in need of the protection provided for in this Act, an emergency is declared to exist, and this Act shall become effective immediately upon its passage and approval by the Governor.

SB 169, AN ACT establishing a Uniform Commercial Code.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

ARTICLE 1. GENERAL PROVISIONS

Part 1. Short Title; Construction, Application and Subject Matter of this Act

Section 1—101. *Short Title.* This Act shall be known and may be cited as Uniform Commercial Code.

Section 1—102. *Purposes; Rules of Construction; Variation by Agreement.* (1) This Act shall be liberally construed and applied to promote its underlying purposes and policies.

(2) Underlying purposes and policies of this Act are
  (a) to simplify, clarify and modernize the law governing commercial transactions;
  (b) to permit the continued expansion of commercial practices through custom, usage and agreement of the parties;
  (c) to make uniform the law among the various jurisdictions.

(3) The effect of provisions of this Act may be varied by agreement, except as otherwise provided in this Act and except that the obligations of good faith, diligence, reasonableness and care prescribed by this Act may not be disclaimed by agreement but the parties may by agreement determine the standards by which the performance of such obligations is to be measured if such standards are not manifestly unreasonable.

(4) The presence in certain provisions of this Act of the words "unless otherwise agreed" or words of similar import does not imply that the effect of other provisions may not be varied by agreement under subsection (3).

(5) In this Act unless the context otherwise requires
  (a) words in the singular number include the plural, and in the plural include the singular;
  (b) words of the masculine gender include the feminine and the neuter, and when the sense so indicates words of the neuter gender may refer to any gender.

Section 1—103. *Supplementary General Principles of Law Applicable.* Unless displaced by the particular provisions of this Act, the principles of law and equity, including the law merchant and the law relative to capacity to contract, principal and agent, estoppel, fraud, misrepresentation, duress, coercion, mistake, bankruptcy, or other validating or invalidating cause shall supplement its provisions.

Section 1—104. *Construction Against Implicit Repeal.* This Act being a general act intended as a unified coverage of its subject matter, no part of it shall be deemed to be impliedly repealed by subsequent legislation if such construction can reasonably be avoided.

Section 1—105. *Territorial Application of the Act; Parties' Power to Choose Applicable Law.* (1) Except as provided hereafter in this section, when a transaction bears a reasonable relation to this state and also to another state or nation the parties may agree that the law either of this state or of such other state or nation shall govern their rights and duties. Failing such agreement this Act applies to transactions bearing an appropriate relation to this state.

(2) Where one of the following provisions of this Act specifies the applicable law, that provision governs and a contrary agreement is effective only to the extent permitted by the law (including the conflict of the laws rules) so specified:

Rights of creditors against sold goods. Section 2—402.

Applicability of the Article on Bank Deposits and Collections. Section 4—102.

Bulk Transfers subject to the Article on Bulk Transfers. Section 6—102.

Applicability of the Article on Investment Securities. Section 8—106.

Policy and scope of the Article on Secured Transactions. Sections 9—102 and 9—103.

Section 1—106. *Remedies to Be Liberally Administered.* (1) The remedies provided by this Act shall be liberally administered to the end that the aggrieved party may be put in as good a position as if the other party had fully performed but neither consequential or special nor penal damages may be had except as specifically provided in this Act or by other rule of law.

(2) Any right or obligation declared by this Act is enforceable by action unless the provision declaring it specifies a different and limited effect.

Section 1—107. *Waiver or Renunciation of Claim or Right After Breach.* Any claim or right arising out of an alleged breach can be discharged in whole or in part without consideration by a written waiver or renunciation signed and delivered by the aggrieved party.

Section 1—108. *Severability.* If any provision or clause of this Act or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

Section 1—109. *Section Captions.* Section captions are parts of this Act.

Part 2. General Definitions and Principles of Interpretation

Section 1—201. *General Definitions.* Subject to additional definitions contained in the subsequent Articles of this Act which are applicable to specific Articles or Parts thereof, and unless the context otherwise requires, in this Act:

(1) "Action" in the sense of a judicial proceeding includes recoupment, counterclaim, set-off, suit in equity and any other proceedings in which rights are determined.

(2) "Aggrieved party" means a party entitled to resort to a remedy.

(3) "Agreement" means the bargain of the parties in fact as found in their language or by implication from other circumstances including course of dealing or usage of trade or course of performance as provided in this Act (Sections 1—205 and 2—208). Whether an agreement has legal consequences is determined by the provisions of this Act, if applicable; otherwise by the law of contracts (Section 1—103). (Compare "Contract".)

(4) "Bank" means any person engaged in the business of banking.

(5) "Bearer" means the person in possession of an instrument, document of title, or security payable to bearer or indorsed in blank.

(6) "Bill of lading" means a document evidencing the receipt of goods for shipment issued by a person engaged in the business of transporting or forwarding goods, and includes an airbill. "Airbill" means a document serving for air transportation as a bill of lading does for marine or rail transportation, and includes an air consignment note or air waybill.

(7) "Branch" includes a separately incorporated foreign branch of a bank.

(8) "Burden of establishing" a fact means the burden of persuading the triers of fact that the existence of the fact is more probable than its non-existence.

(9) "Buyer in ordinary course of business" means a person who in good faith and without knowledge that the sale to him is in violation of the ownership rights or security interest of a third party in the goods buys in ordinary course from a person in the business of selling goods of that kind but does not include a pawnbroker. "Buying" may be for cash or by exchange of other property or on secured or unsecured credit and includes receiving goods or documents of title under a pre-existing contract for sale but does not include a transfer in bulk or as security for or in total or partial satisfaction of a money debt.

(10) "Conspicuous": A term or clause is conspicuous when it is so written that a reasonable person against whom it is to operate ought to have noticed it. A printed heading in capitals (as: NON-

NEGOTIABLE BILL OF LADING) is conspicuous. Language in the body of a form is "conspicuous" if it is in larger or other contrasting type or color. But in a telegram any stated term is "conspicuous". Whether a term or clause is "conspicuous" or not is for decision by the court.

(11) "Contract" means the total legal obligations which results from the parties' agreement as affected by this Act and any other applicable rules of law. (Compare "Agreement".)

(12) "Creditor" includes a general creditor, a secured creditor, a lien creditor and any representative of creditors, including an assignee for the benefit of creditors, a trustee in bankruptcy, a receiver in equity and an executor or administrator of an insolvent debtor's or assignor's estate.

(13) "Defendant" includes a person in the position of defendant in a cross-action or counterclaim.

(14) "Delivery" with respect to instruments, documents of title, chattel paper or securities means voluntary transfer of possession.

(15) "Document of title" includes bill of lading, dock warrant, dock receipt, warehouse receipt or order for the delivery of goods, and also any other document which in the regular course of business or financing is treated as adequately evidencing that the person in possession of it is entitled to receive, hold and dispose of the document and the goods it covers. To be a document of title a document must purport to be issued by or addressed to a bailee and purport to cover goods in the bailee's possession which are either identified or are fungible portions of an identified mass.

(16) "Fault" means wrongful act, omission or breach.

(17) "Fungible" with respect to goods or securities means goods or securities of which any unit is, by nature or usage of trade, the equivalent of any other like unit. Goods which are not fungible shall be deemed fungible for the purposes of this Act to the extent that under a particular agreement or document unlike units are treated as equivalents.

(18) "Genuine" means free of forgery or counterfeiting.

(19) "Good faith" means honesty in fact in the conduct or transaction concerned.

(20) "Holder" means a person who is in possession of a document of title or an instrument or an investment security drawn, issued or indorsed to him or to his order or to bearer or in blank.

(21) To "honor" is to pay or to accept and pay, or where a credit so engages to purchase or discount a draft complying with the terms of the credit.

(22) "Insolvency proceedings" includes any assignment for the benefit of creditors or other proceedings intended to liquidate or rehabilitate the estate of the person involved.

(23) A person is "insolvent" who either has ceased to pay his debts in the ordinary course of business or cannot pay his debts as

they become due or is insolvent within the meaning of the federal bankruptcy law.

(24) "Money" means a medium of exchange authorized or adopted by a domestic or foreign government as a part of its currency.

(25) A person has "notice" of a fact when

(a) he has actual knowledge of it; or

(b) he has received a notice or notification of it; or

(c) from all the facts and circumstances known to him at the time in question he has reason to know that it exists.

A person "knows" or has "knowledge" of a fact when he has actual knowledge of it. "Discover" or "learn" or a word or phrase of similar import refers to knowledge rather than to reason to know. The time and circumstances under which a notice or notification may cease to be effective are not determined by this Act.

(26) A person "notifies" or "gives" a notice or notification to another by taking such steps as may be reasonably required to inform the other in ordinary course whether or not such other actually comes to know of it. A person "receives" a notice or notification when

(a) it comes to his attention; or

(b) it is duly delivered at the place of business through which the contract was made or at any other place held out by him as the place for receipt of such communications.

(27) Notice, knowledge or a notice or notification received by an organization is effective for a particular transaction from the time when it is brought to the attention of the individual conducting that transaction, and in any event from the time when it would have been brought to his attention if the organization had exercised due diligence.

(28) "Organization" includes a corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, two or more persons having a joint or common interest, or any other legal or commercial entity.

(29) "Party", as distinct from "third party", means a person who has engaged in a transaction or made an agreement within this Act.

(30) "Person" includes an individual or an organization (See Section 1—102).

(31) "Presumption" or "presumed" means that the trier of fact must find the existence of the fact presumed unless and until evidence is introduced which would support a finding of its nonexistence.

(32) "Purchase" includes taking by sale, discount, negotiation, mortgage, pledge, lien, issue or re-issue, gift or any other voluntary transaction creating an interest in property.

(33) "Purchaser" means a person who takes by purchase.

(34) "Remedy" means any remedial right to which an aggrieved party is entitled with or without resort to tribunal.

(35) "Representative" includes an agent, an officer of a corporation or association, and a trustee, executor or administrator of an estate, or any other person empowered to act for another.

(36) "Rights" includes remedies.

(37) "Security interest" means an interest in personal property or fixtures which secures payment or performance of an obligation. The retention or reservation of title by a seller of goods notwithstanding shipment or delivery to the buyer (Section 2—401) is limited in effect to a reservation of a "security interest". The term also includes any interest of a buyer of accounts, chattel paper, or contract rights which is subject to Article 9. The special property interest of a buyer of goods on identification of such goods to a contract for sale under Section 2—401 is not a "security interest", but a buyer may also acquire a "security interest" by complying with Article 9. Unless a lease or consignment is intended as security, reservation of title thereunder is not a "security interest" but a consignment is in any event subject to the provisions on consignment sales (Section 2—326). Whether a lease is intended as security is to be determined by the facts of each case; however, (a) the inclusion of an option to purchase does not of itself make the lease one intended for security, and (b) an agreement that upon compliance with the terms of the lease the lessee shall become or has the option to become the owner of the property for no additional consideration or for a nominal consideration does make the lease one intended for security.

(38) "Send" in connection with any writing or notice means to deposit in the mail or deliver for transmission by any other usual means of communication with postage or cost of transmission provided for and properly addressed and in the case of an instrument to an address specified thereon or otherwise agreed, or if there be none to any address reasonable under the circumstances. The receipt of any writing or notice within the time at which it would have arrived if properly sent has the effect of a proper sending.

(39) "Signed" includes any symbol executed or adopted by a party with present intention to authenticate a writing.

(40) "Surety" includes guarantor.

(41) "Telegram" includes a message transmitted by radio, teletype, cable, any mechanical method of transmission, or the like.

(42) "Term" means that portion of an agreement which relates to a particular matter.

(43) "Unauthorized" signature or indorsement means one made without actual, implied or apparent authority and includes a forgery.

(44) "Value". Except as otherwise provided wtih respect to negotiable instruments and bank collections (Sections 3—303, 4—208 and 4--209) a person gives "value" for rights if he acquires them

(a) in return for a binding commitment to extend credit or for the extension of immediately available credit whether or not drawn upon and whether or not a chargeback is provided for in the event of difficulties in collection; or

(b) as security for or in total or partial satisfaction of a pre-existing claim; or

(c) by accepting delivery pursuant to a pre-existing contract for purchase; or

(d) generally, in return for any consideration sufficient to support a simple contract.

(45) "Warehouse receipt" means a receipt issued by a person engaged in the business of storing goods for hire.

(46) "Written" or "writing" includes printing, typewriting or any other intentional reduction to tangible form.

Section 1—202. *Prima Facie Evidence by Third Party Documents.* A document in due form purporting to be a bill of lading, policy or certificate of insurance, official weigher's or inspector's certificate, consular invoice, or any other document authorized or required by the contract to be issued by a third party shall be prima facie evidence of its own authenticity and genuineness and of the facts stated in the document by the third party.

Section 1—203. *Obligation of Good Faith.* Every contract or duty within this Act imposes an obligation of good faith in its performance or enforcement.

Section 1—204. *Time; Reasonable Time; "Seasonably".* (1) Whenever this Act requires any action to be taken within a reasonable time, any time which is not manifestly unreasonable may be fixed by agreement.

(2) What is a reasonable time for taking any action depends on the nature, purpose and circumstances of such action.

(3) An action is taken "Seasonably" when it is taken at or within the time agreed or if no time is agreed at or within a reasonable time.

Section 1—205. *Course of Dealing and Usage of Trade.* (1) A course of dealing is a sequence of previous conduct between the parties to a particular transaction which is fairly to be regarded as establishing a common basis of understanding for interpreting their expressions and other conduct.

(2) A usage of trade is any practice or method of dealing having such regularity of observance in a place, vocation or trade as to justify an expectation that it will be observed with respect to the transaction in question. The existence and scope of such a usage are to be proved as facts. If it is established that such a usage is embodied in a written trade code or similar writing the interpretation of the writing is for the court.

(3) A course of dealing between parties and any usage of trade in the vocation or trade in which they are engaged or of which they

are or should be aware give particular meaning to and supplement or qualify terms of an agreement.

(4) The express terms of an agreement and an applicable course of dealing or usage of trade shall be construed wherever reasonable as consistent with each other; but when such construction is unreasonable express terms control both course of dealing and usage of trade and course of dealing controls usage of trade.

(5) An applicable usage of trade in the place where any part of performance is to occur shall be used in interpreting the agreement as to that part of the performance.

(6) Evidence of a relevant usage of trade offered by one party is not admissible unless and until he has given the other party such notice as the court finds sufficient to prevent unfair surprise to the latter.

Section 1–206. *Statute of Frauds for Kinds of Personal Property Not Otherwise Covered.* (1) Except in the cases described in subsection (2) of this section a contract for the sale of personal property is not enforceable by way of action or defense beyond five thousand dollars in amount or value or remedy unless there is some writing which indicates that a contract for sale has been made between the parties at a defined or stated price, reasonably identifies the subject matter, and is signed by the party against whom enforcement is sought or by his authorized agent.

(2) Subsection (1) of this section does not apply to contracts for the sale of goods (Section 2–201) nor of securities (Section 8–319) nor to security agreements (Section 9–203).

Section 1–207. *Performance or Acceptance Under Reservation of Rights.* A party who with explicit reservation of rights performs or promises performance or assents to performance in a manner demanded or offered by the other party does not thereby prejudice the rights reserved. Such words as "without prejudice", "under protest" or the like are sufficient.

Section 1–208. *Option to Accelerate at Will.* A term providing that one party or his successor in interest may accelerate payment or performance or require collateral or additional collateral "at will" or "when he deems himself insecure" or in words of similar import shall be construed to mean that he shall have power to do so only if he in good faith believes that the prospect of payment or performance is impaired. The burden of establishing lack of good faith is on the party against whom the power has been exercised.

ARTICLE 2. SALES

Part 1. Short Title, General Construction and Subject Matter

Section 2–101. *Short Title.* This Article shall be known and may be cited as Uniform Commercial Code–Sales.

Section 2—102. *Scope; Certain Security and Other Transactions Excluded From This Article.* Unless the context otherwise requires, this Article applies to transactions in goods; it does not apply to any transaction which although in the form of an unconditional contract to sell or present sale is intended to operate only as a security transaction nor does this Article impair or repeal any statute regulating sales to consumers, farmers or other specified classes of buyers.

Section 2—103. *Definitions and Index of Definitions.* (1) In this Article unless the context otherwise requires

(a) "Buyer" means a person who buys or contracts to buy goods.

(b) "Good faith" in the case of a merchant means honesty in fact and the observance of reasonable commercial standards of fair dealing in the trade.

(c) "Receipt" of goods means taking physical possession of them.

(d) "Seller" means a person who sells or contracts to sell goods.

(2) Other definitions applying to this Article or to specified Parts thereof, and the sections in which they appear are:

"Acceptance". Section 2—606.
"Banker's credit". Section 2—325.
"Between merchants". Section 2—104.
"Cancellation". Section 2—106(4).
"Commercial unit". Section 2—105.
"Confirmed credit". Section 2—325.
"Conforming to contract". Section 2—106.
"Contract for sale". Section 2—106.
"Cover". Section 2—712.
"Entrusting". Section 2—403.
"Financing agency". Section 2—104.
"Future goods". Section 2—105.
"Goods". Section 2—105.
"Identification". Section 2—501.
"Installment contract". Section 2—612.
"Letter of credit". Section 2—325.
"Lot". Section 2—105.
"Merchant". Section 2—104.
"Overseas". Section 2—323.
"Person in position of seller". Section 2—707.
"Present sale". Section 2—106.
"Sale." Section 2—106.
"Sale on approval". Section 2—326.
"Sale or return". Section 2—326.
"Termination". Section 2—106.

(3) The following definitions in other Articles apply to this Article:

"Check". Section 3—104.
"Consignee". Section 7—102.
"Consignor". Section 7—102.
"Consumer goods". Section 9—109.
"Dishonor". Section 3—507.
"Draft". Section 3—104.

(4) In addition Article 1 contains general definitions and principles of construction and interpretation applicable throughout this Article.

Section 2—104. *Definitions. "Merchant"; "Between Merchants"; "Financing Agency".* (1) "Merchant" means a person who deals in goods of the kind or otherwise by his occupation holds himself out as having knowledge or skill peculiar to the practices or goods involved in the transaction or to whom such knowledge or skill may be attributed by his employment of an agent or broker or other intermediary who by his occupation holds himself out as having such knowledge or skill.

(2) "Financing agency" means a bank, finance company or other person who in the ordinary course of business makes advances against goods or documents of title or who by arrangement with either the seller or the buyer intervenes in ordinary course to make or collect payment due or claimed under the contract for sale, as by purchasing or paying the seller's draft or making advances against it or by merely taking it for collection whether or not documents of title accompany the draft. "Financing agency" includes also a bank or other person who similarly intervenes between persons who are in the position of seller and buyer in respect to the goods (Section 2—707).

(3) "Between merchants" means in any transaction with respect to which both parties are chargeable with the knowledge or skill of merchants.

Section 2—105. *Definitions: Transferability; "Goods"; "Future" Goods; "Lot"; "Commercial Unit".* (1) "Goods" means all things (including specially manufactured goods) which are movable at the time of identification to the contract for sale other than the money in which the price is to be paid, investment securities (Article 8) and things in action. "Goods" also includes the unborn young of animals and growing crops and other identified things attached to realty as described in the section on goods to be severed from realty (Section 2—107).

(2) Goods must be both existing and identified before any interest in them can pass. Goods which are not both existing and identified are "future" goods. A purported present sale of future goods or of any interest therein operates as a contract to sell.

(3) There may be a sale of a part interest in existing identified goods.

(4) An undivided share in an identified bulk of fungible goods is sufficiently identified to be sold although the quantity of the bulk is not determined. Any agreed proportion of such a bulk or any quantity thereof agreed upon by number, weight or other measure may to the extent of the seller's interest in the bulk be sold to the buyer who then becomes an owner in common.

(5) "Lot" means a parcel or a single article which is the subject matter of a separate sale or delivery, whether or not it is sufficient to perform the contract.

(6) "Commercial unit" means such a unit of goods as by commercial usage is a single whole for purposes of sale and division of which materially impairs its character or value on the market or in use. A commercial unit may be a single article (as a machine) or a set of articles (as a suite of furniture or an assortment of sizes) or a quantity (as a bale, gross, or carload) or any other unit treated in use or in the relevant market as a single whole.

Section 2–106. *Definitions. "Contract"; "Agreement"; "Contract for Sale"; "Sale"; "Present Sale"; "Conforming" to Contract; "Termination"; "Cancellation".* (1) In this article unless the context otherwise requires "contract" and "agreement" are limited to those relating to the present or future sale of goods. "Contract for sale" includes both a present sale of goods and a contract to sell goods at a future time. A "sale" consists in the passing of title from the seller to the buyer for a price (Section 2–401). A "present sale" means a sale which is accomplished by the making of the contract.

(2) Goods or conduct including any part of a performance are "conforming" or conform to the contract when they are in accordance with the obligations under the contract.

(3) "Termination" occurs when either party pursuant to a power created by agreement or law puts an end to the contract otherwise than for its breach. On "termination" all obligations which are still executory on both sides are discharged but any right based on prior breach or performance survives.

(4) "Cancellation" occurs when either party puts an end to the contract for breach by the other and its effect is the same as that of "termination" except that the cancelling party also retains any remedy for breach of the whole contract or any unperformed balance.

Section 2–107. *Goods to Be Severed From Realty: Recording.* (1) A contract for the sale of timber, minerals or the like or a structure or its materials to be removed from realty is a contract for the sale of goods within this Article if they are to be severed by the seller but until severance a purported present sale thereof which is not effective as a transfer of an interest in land is effective only as a contract to sell.

(2) A contract for the sale apart from the land of growing crops or other things attached to realty and capable of severance without material harm thereto but not described in subsection (1) is a contract for the sale of goods within this Article whether the subject matter is to be severed by the buyer or by the seller even though it forms part of the realty at the time of contracting, and the parties can by identification effect a present sale before severance.

(3) The provisions of this section are subject to any third party rights provided by the law relating to realty records, and the contract for sale may be executed and recorded as a document transferring an interest in land and shall then constitute notice to third parties of the buyer's rights under the contract for sale.

Part 2. Form, Formation and Readjustment of Contract

Section 2–201. *Formal Requirements; Statute of Frauds.* (1) Except as otherwise provided in this section a contract for the sale of goods for the price of $500 or more is not enforceable by way of action or defense unless there is some writing sufficient to indicate that a contract for sale has been made between the parties and signed by the party against whom enforcement is sought or by his authorized agent or broker. A writing is not insufficient because it omits or incorrectly states a term agreed upon but the contract is not enforceable under this paragraph beyond the quantity of goods shown in such writing.

(2) Between merchants if within a reasonable time a writing in confirmation of the contract and sufficient against the sender is received and the party receiving it has reason to know its contents, it satisfies the requirements of subsection (1) against such party unless written notice of objection to its contents is given within ten days after it is received.

(3) A contract which does not satisfy the requirements of subsection (1) but which is valid in other respects is enforceable

(a) if the goods are to be specially manufactured for the buyer and are not suitable for sale to others in the ordinary course of the seller's business and the seller, before notice or repudiation is received and under circumstances which reasonably indicate that the goods are for the buyer, has made either a substantial beginning of their manufacture or commitments for their procurement; or

(b) if the party against whom enforcement is sought admits in his pleading, testimony or otherwise in court that a contract for sale was made, but the contract is not enforceable under this provision beyond the quantity of goods admitted; or

(c) with respect to goods for which payment has been made and accepted or which have been received and accepted (Section 2–606).

Section 2–202. *Final Written Expression: Parol or Extrinsic Evidence.* Terms with respect to which the confirmatory memoranda of the parties agree or which are otherwise set forth in a writing intended by the parties as a final expression of their agreement with respect to such terms as are included therein may not be contradicted by evidence of any prior agreement or of a contemporaneous oral agreement but may be explained or supplemented

(a) by course of dealing or usage of trade (Section 1–205) or by course of performance (Section 2–208); and

(b) by evidence of consistent additional terms unless the court finds the writing to have been intended also as a complete and exclusive statement of the terms of the agreement.

Section 2–203. *Seals Inoperative.* The affixing of a seal to a writing evidencing a contract for sale or an offer to buy or sell goods does not constitute the writing a sealed instrument and the law with respect to sealed instruments does not apply to such a contract or offer.

Section 2–204. *Formation in General.* (1) A contract for sale of goods may be made in any manner sufficient to show agreement, including conduct by both parties which recognizes the existence of such a contract.

(2) An agreement sufficient to constitute a contract for sale may be found even though the moment of its making is undetermined.

(3) Even though one or more terms are left open a contract for sale does not fail for indefiniteness if the parties have intended to make a contract and there is a reasonably certain basis for giving an appropriate remedy.

Section 2–205. *Firm Offers.* An offer by a merchant to buy or sell goods in a signed writing which by its terms gives assurance that it will be held open is not revocable, for lack of consideration, during the time stated or if no time is stated for a reasonable time, but in no event may such period of irrevocability exceed three months; but any such term of assurance on a form supplied by the offeree must be separately signed by the offeror.

Section 2–206. *Offer and Acceptance in Formation of Contract.* (1) Unless otherwise unambiguously indicated by the language or circumstances

(a) an offer to make a contract shall be construed as inviting acceptance in any manner and by any medium reasonable in the circumstances;

(b) an order or other offer to buy goods for prompt or current shipment shall be construed as inviting acceptance either by a prompt promise to ship or by the prompt or current shipment of conforming or non-conforming goods, but such a shipment of non-conforming goods does not constitute an acceptance if the seller seasonably notifies the buyer that the shipment is offered only as an accommodation to the buyer.

(2) Where the beginning of a requested performance is a reasonable mode of acceptance an offeror who is not notified of acceptance within a reasonable time may treat the offer as having lapsed before acceptance.

Section 2–207. *Additional Terms in Acceptance or Confirmation.* (1) A definite and seasonable expression of acceptance or a written confirmation which is sent within a reasonable time operates as an acceptance even though it states terms additional to or different from those offered or agreed upon, unless acceptance is expressly made conditional on assent to the additional or different terms.

(2) The additional terms are to be construed as proposals for addition to the contract. Between merchants such terms become part of the contract unless:

(a) the offer expressly limits acceptance to the terms of the offer;
(b) they materially alter it; or
(c) notification of objection to them has already been given or is given within a reasonable time after notice of them is received.

(3) Conduct by both parties which recognizes the existence of a contract is sufficient to establish a contract for sale although the writings of the parties do not otherwise establish a contract. In such case the terms of the particular contract consist of those terms on which the writings of the parties agree, together with any supplementary terms incorporated under any other provisions of this Act.

Section 2–208. *Course of Performance or Practical Construction.* (1) Where the contract for sale involves repeated occasions for performance by either party with knowledge of the nature of the performance and opportunity for objection to it by the other, any course of performance accepted or acquiesced in without objection shall be relevant to determine the meaning of the agreement.

(2) The express terms of the agreement and any such course of performance, as well as any course of dealing and usage of trade, shall be construed whenever reasonable as consistent with each other; but when such construction is unreasonable, express terms shall control course of performance and course of performance shall control both course of dealing and usage of trade (Section 1–205).

(3) Subject to the provisions of the next section on modification and waiver, such course of performance shall be relevant to show a waiver or modification of any term inconsistent with such course of performance.

Section 2–209. *Modification, Rescission and Waiver.* (1) An agreement modifying a contract within this Article needs no consideration to be binding.

(2) A signed agreement which excludes modification or rescission except by a signed writing cannot be otherwise modified or rescinded, but except as between merchants such a requirement on a form supplied by the merchant must be separately signed by the other party.

(3) The requirements of the statute of frauds section of this Article (Section 2–201) must be satisfied if the contract as modified is within its provisions.

(4) Although an attempt at modification or rescission does not satisfy the requirements of subsection (2) or (3) it can operate as a waiver.

(5) A party who has made a waiver affecting an executory portion of the contract may retract the waiver by reasonable notification received by the other party that strict performance will be required of any term waived, unless the retraction would be unjust in view of a material change of position in reliance on the waiver.

Section 2–210. *Delegation of Performance; Assignment of Rights.* (1) A party may perform his duty through a delegate unless otherwise agreed or unless the other party has a substantial interest in having his original promisor perform or control the acts required by the contract. No delegation of performance relieves the party delegating of any duty to perform or any liability for breach.

(2) Unless otherwise agreed all rights of either seller or buyer can be assigned except where the assignment would materially change the duty of the other party, or increase materially the burden or risk imposed on him by his contract, or impair materially his chance of obtaining return performance. A right to damages for breach of the whole contract or a right arising out of the assignor's due performance of his entire obligation can be assigned despite agreement otherwise.

(3) Unless the circumstances indicate the contrary a prohibition of assignment of "the contract" is to be construed as barring only the delegation to the assignee of the assignor's performance.

(4) An assignment of "the contract" or of "all my rights under the contract" or an assignment in similar general terms is an assignment of rights and unless the language or the circumstances (as in an assignment for security) indicate the contrary, it is a delegation of performance of the duties of the assignor and its acceptance by the assignee constitutes a promise by him to perform those duties. This promise is enforceable by either the assignor or the other party to the original contract.

(5) The other party may treat any assignment which delegates performance as creating reasonable grounds for insecurity and may without prejudice to his rights against the assignor demand assurances from the assignee (Section 2–609).

Part 3. General Obligation and Construction of Contract

Section 2—301. *General Obligations of Parties.* The obligation of the seller is to transfer and deliver and that of the buyer is to accept and pay in accordance with the contract.

Section 2—302. *Unconscionable Contract or Clause.* (1) If the court as a matter of law finds the contract or any clause of the contract to have been unconscionable at the time it was made the court may refuse to enforce the contract, or it may enforce the remainder of the contract without the unconscionable clause, or it may so limit the application of any unconscionable clause as to avoid any unconscionable result.

(2) When it is claimed or appears to the court that the contract or any clause thereof may be unconscionable the parties shall be afforded a reasonable opportunity to present evidence as to its commercial setting, purpose and effect to aid the court in making the determination.

Section 2—303. *Allocation or Division of Risks.* Where this Article allocates a risk or a burden as between the parties "unless otherwise agreed", the agreement may not only shift the allocation but may also divide the risk or burden.

Section 2—304. *Price Payable in Money, Goods, Realty, or Otherwise.* (1) The price can be made payable in money or otherwise. If it is payable in whole or in part in goods each party is a seller of the goods which he is to transfer.

(2) Even though all or part of the price is payable in an interest in realty the transfer of the goods and the seller's obligations with reference to them are subject to this Article, but not the transfer of the interest in realty or the transferor's obligations in connection therewith.

Section 2—305. *Open Price Term.* (1) The parties if they so intend can conclude a contract for sale even though the price is not settled. In such a case the price is a reasonable price at the time for delivery if

(a) nothing is said as to price; or
(b) the price is left to be agreed by the parties and they fail to agree; or
(c) the price is to be fixed in terms of some agreed market or other standard as set or recorded by a third person or agency and it is not so set or recorded.

(2) A price to be fixed by the seller or by the buyer means a price for him to fix in good faith.

(3) When a price left to be fixed otherwise than by agreement of the parties fails to be fixed through fault of one party the other may at his option treat the contract as cancelled or himself fix a reasonable price.

(4) Where, however, the parties intend not to be bound unless the price be fixed or agreed and it is not fixed or agreed there is no contract. In such a case the buyer must return any goods already received or if unable so to do must pay their reasonable value at the time of delivery and the seller must return any portion of the price paid on account.

Section 2–306. *Output, Requirements and Exclusive Dealings.* (1) A term which measures the quantity by the output of the seller or the requirements of the buyer means such actual output or requirements as may occur in good faith, except that no quantity unreasonably disproportionate to any stated estimate or in the absence of a stated estimate to any normal or otherwise comparable prior output or requirements may be tendered or demanded.

(2) A lawful agreement by either the seller or the buyer for exclusive dealing in the kind of goods concerned imposes unless otherwise agreed an obligation by the seller to use best efforts to supply the goods and by the buyer to use best efforts to promote their sale.

Section 2–307. *Delivery in Single Lot or Several Lots.* Unless otherwise agreed all goods called for by a contract for sale must be tendered in a single delivery and payment is due only on such tender but where the circumstances give either party the right to make or demand delivery in lots the price if it can be apportioned may be demanded for each lot.

Section 2–308. *Absence of Specified Place for Delivery.* Unless otherwise agreed

(a) the place for delivery of goods is the seller's place of business or if he has none his residence; but

(b) in a contract for sale of identified goods which to the knowledge of the parties at the time of contracting are in some other place, that place is the place for their delivery; and

(c) documents of title may be delivered through customary banking channels.

Section 2–309. *Absence of Specific Time Provisions; Notice of Termination.* (1) The time for shipment or delivery or any other action under a contract if not provided in this Article or agreed upon shall be a reasonable time.

(2) Where the contract provides for successive performances but is indefinite in duration it is valid for a reasonable time but unless otherwise agreed may be terminated at any time by either party.

(3) Termination of a contract by one party except on the happening of an agreed event requires that reasonable notification be received by the other party and an agreement dispensing with notification is invalid if its operation would be unconscionable.

Section 2—310. *Open Time for Payment or Running of Credit; Authority to Ship Under Reservation.* Unless otherwise agreed

(a) payment is due at the time and place at which the buyer is to receive the goods even though the place of shipment is the place of delivery; and

(b) if the seller is authorized to send the goods he may ship them under reservation, and may tender the documents of title, but the buyer may inspect the goods after their arrival before payment is due unless such inspection is inconsistent with the terms of the contract (Section 2—513); and

(c) if delivery is authorized and made by way of documents of title otherwise than by subsection (b) then payment is due at the time and place at which the buyer is to receive the documents regardless of where the goods are to be received; and

(d) where the seller is required or authorized to ship the goods on credit the credit period runs from the time of shipment but post-dating the invoice or delaying its dispatch will correspondingly delay the starting of the credit period.

Section 2—311. *Options and Cooperation Respecting Performance.* (1) An agreement for sale which is otherwise sufficiently definite (subsection (3) of Section 2—204) to be a contract is not made invalid by the fact that it leaves particulars of performance to be specified by one of the parties. Any such specification must be made in good faith and within limits set by commercial reasonableness.

(2) Unless otherwise agreed specifications relating to assortment of the goods are at the buyer's option and except as otherwise provided in subsections (1)(c) and (3) of Section 2—319 specifications or arrangements relating to shipment are at the seller's option.

(3) Where such specification would materially affect the other party's performance but is not seasonably made or where one party's cooperation is necessary to the agreed performance of the other but is not seasonably forthcoming, the other party in addition to all other remedies

(a) is excused for any resulting delay in his own performance; and

(b) may also either proceed to perform in any reasonable manner or after the time for a material part of his own performance treat the failure to specify or to cooperate as a breach by failure to deliver or accept the goods.

Section 2—312. *Warranty of Title and Against Infringement; Buyer's Obligation Against Infringement.* (1) Subject to subsection (2) there is in a contract for sale a warranty by the seller that

(a) the title conveyed shall be good, and its transfer rightful; and

(b) the goods shall be delivered free from any security interest or other lien or encumbrance of which the buyer at the time of contracting has no knowledge.

(2) A warranty under subsection (1) will be excluded or modified only by specific language or by circumstances which give the buyer reason to know that the person selling does not claim title in himself or that he is purporting to sell only such right or title as he or a third person may have.

(3) Unless otherwise agreed a seller who is a merchant regularly dealing in goods of the kind warrants that the goods shall be delivered free of the rightful claim of any third person by way of infringement or the like but a buyer who furnishes specifications to the seller must hold the seller harmless against any such claim which arises out of compliance with the specifications.

Section 2–313. *Express Warranties by Affirmation, Promise, Description, Sample.* (1) Express warranties by the seller are created as follows:

(a) Any affirmation of fact or promise made by the seller to the buyer which relates to the goods and becomes part of the basis of the bargain creates an express warranty that the goods shall conform to the affirmation or promise.

(b) Any description of the goods which is made part of the basis of the bargain creates an express warranty that the goods shall conform to the description.

(c) Any sample or model which is made part of the basis of the bargain creates an express warranty that the whole of the goods shall conform to the sample or model.

(2) It is not necessary to the creation of an express warranty that the seller use formal words such as "warrant" or "guarantee" or that he have a specific intention to make a warranty, but an affirmation merely of the value of the goods or a statement purporting to be merely the seller's opinion or commendation of the goods does not create a warranty.

Section 2–314. *Implied Warranty: Merchantability; Usage of Trade.* (1) Unless excluded or modified (Section 2–316), a warranty that the goods shall be merchantable is implied in a contract for their sale if the seller is a merchant with respect to goods of that kind. Under this section the serving for value of food or drink to be consumed either on the premises or elsewhere is a sale.

(2) Goods to be merchantable must be at least such as

(a) pass without objection in the trade under the contract description; and

(b) in the case of fungible goods, are of fair average quality within the description; and

(c) are fit for the ordinary purposes for which such goods are used; and
(d) run, within the variations permitted by the agreement, of even kind, quality and quantity within each unit and among all units involved; and
(e) are adequately contained, packaged, and labeled as the agreement may require; and
(f) conform to the promises or affirmations of fact made on the container or label if any.

(3) Unless excluded or modified (Section 2–316) other implied warranties may arise from course of dealing or usage of trade.

Section 2–315. *Implied Warranty: Fitness for Particular Purpose.* Where the seller at the time of contracting has reason to know any particular purpose for which the goods are required and that the buyer is relying on the seller's skill or judgment to select or furnish suitable goods, there is unless excluded or modified under the next section an implied warranty that the goods shall be fit for such purpose.

Section 2–316. *Exclusion or Modification of Warranties.* (1) Words or conduct relevant to the creation of an express warranty and words or conduct tending to negate or limit warranty shall be construed wherever reasonable as consistent with each other; but subject to the provisions of this Article on parol or extrinsic evidence (Section 2–202) negation or limitation is inoperative to the extent that such construction is unreasonable.

(2) Subject to subsection (3), to exclude or modify the implied warranty of merchantability or any part of it the language must mention merchantability and in case of a writing must be conspicuous, and to exclude or modify any implied warranty of fitness the exclusion must be by a writing and conspicuous. Language to exclude all implied warranties of fitness is sufficient if it states, for example, that "There are no warranties which extend beyond the description on the face hereof."

(3) Notwithstanding subsection (2)
(a) unless the circumstances indicate otherwise, all implied warranties are excluded by expressions like "as is", "with all faults" or other language which in common understanding calls the buyer's attention to the exclusion of warranties and makes plain that there is no implied warranty; and
(b) when the buyer before entering into the contract has examined the goods or the sample or model as fully as he desired or has refused to examine the goods there is no implied warranty with regard to defects which an examination ought in the circumstances to have revealed to him; and

(c) an implied warranty can also be excluded or modified by course of dealing or course of performance or usage of trade.

(4) Remedies for breach of warranty can be limited in accordance with the provisions of this Article on liquidation or limitation of damages and on contractual modification of remedy (Sections 2—718 and 2—719).

Section 2—317. *Cumulation and Conflict of Warranties Express or Implied.* Warranties whether express or implied shall be construed as consistent with each other and as cumulative, but if such construction is unreasonable the intention of the parties shall determine which warranty is dominant. In ascertaining that intention the following rules apply:

(a) Exact or technical specifications displace an inconsistent sample or model or general language of description.

(b) A sample from an existing bulk displaces inconsistent general lanuguage of description.

(c) Express warranties displace inconsistent implied warranties other than an implied warranty of fitness for a particular purpose.

Section 2—318. *Third Party Beneficiaries of Warranties Express or Implied.* A seller's warranty whether express or implied extends to any natural person who is in the family or household of his buyer or who is a guest in his home if it is reasonable to expect that such person may use, consume or be affected by the goods and who is injured in person by breach of the warranty. A seller may not exclude or limit the operation of this section.

Section 2—319. *F.O.B. and F.A.S. Terms.* (1) Unless otherwise agreed the term F.O.B. (which means "free on board") at a named place, even though used only in connection with the stated price, is a delivery term under which

(a) when the term is F.O.B. the place of shipment, the seller must at that place ship the goods in the manner provided in this Article (Section 2—504) and bear the expense and risk of putting them into the possession of the carrier; or

(b) when the term is F.O.B. the place of destination, the seller must at his own expense and risk transport the goods to that place and there tender delivery of them in the manner provided in this Article (Section 2—503);

(c) when under either (a) or (b) the term is also F.O.B. vessel, car or other vehicle, the seller must in addition at his own expense and risk load the goods on board. If the term is F.O.B. vessel the buyer must name the vessel and in an appropriate case the seller must comply with the provisions of this Article on the form of bill of lading (Section 2—323).

(2) Unless otherwise agreed the term F.A.S. vessel (which means "free alongside") at a named port, even though used only in connection with the stated price, is a delivery term under which the seller must

(a) at his own expense and risk deliver the goods alongside the vessel in the manner usual in that port or on a dock designated and provided by the buyer; and

(b) obtain and tender a receipt for the goods in exchange for which the carrier is under a duty to issue a bill of lading.

(3) Unless otherwise agreed in any case falling within subsection (1)(a) or (c) or subsection (2) the buyer must seasonably give any needed instructions for making delivery, including when the term is F.A.S. or F.O.B. the loading berth of the vessel and in an appropriate case its name and sailing date. The seller may treat the failure of needed instructions as a failure of cooperation under this Article (Section 2—311). He may also at his option move the goods in any reasonable manner preparatory to delivery or shipment.

(4) Under the term F.O.B. vessel or F.A.S. unless otherwise agreed the buyer must make payment against tender of the required documents and the seller may not tender nor the buyer demand delivery of the goods in substitution for the documents.

Section 2—320. *C.I.F. & C. and F. Terms.* (1) The term C.I.F. means that the price includes in a lump sum the cost of the goods and the insurance and freight to the named destination. The term C. & F. or C.F. means that the price so includes cost and freight to the named destination.

(2) Unless otherwise agreed and even though used only in connection with the stated price and destination, the term C.I.F. destination or its equivalent requires the seller at his own expense and risk to

(a) put the goods into the possession of a carrier at the port for shipment and obtain a negotiable bill or bills of lading covering the entire transportation to the named destination; and

(b) load the goods and obtain a receipt from the carrier (which may be contained in the bill of lading) showing that the freight has been paid or provided for; and

(c) obtain a policy or certificate of insurance, including any war risk insurance, of a kind and on terms then current at the port of shipment in the usual amount, in the currency of the contract, shown to cover the same goods covered by the bill of lading and providing for payment of loss to the order of the buyer or for the account of whom it may concern; but the seller may add to the price the amount of the premium for any such war risk insurance; and

(d) prepare an invoice of the goods and procure any other documents required to effect shipment or to comply with the contract; and

(e) forward and tender with commercial promptness all the documents in due form and with any indorsement necessary to perfect the buyer's rights.

(3) Unless otherwise agreed the term C. & F. or its equivalent has the same effect and imposes upon the seller the same obligations and risks as a C.I.F. term except the obligation as to insurance.

(4) Under the term C.I.F. or C. & F. unless otherwise agreed the buyer must make payment against tender of the required documents and the seller may not tender nor the buyer demand delivery of the goods in substitution for the documents.

Section 2—321. *C.I.F. or C. & F.: "Net Landed Weights"; "Payment on Arrival"; Warranty of Condition on Arrival.* Under a contract containing a term C.I.F. or C. & F.

(1) Where the price is based on or is to be adjusted according to "net landed weights", "delivered weights", "out turn" quantity or quality or the like, unless otherwise agreed the seller must reasonably estimate the price. The payment due on tender of the documents called for by the contract is the amount so estimated, but after final adjustment of the price a settlement must be made with commercial promptness.

(2) An agreement described in subsection (1) or any warranty of quality or condition of the goods on arrival places upon the seller the risk of ordinary deterioration, shrinkage and the like in transportation but has no effect on the place or time of identification to the contract for sale or delivery or on the passing of the risk of loss.

(3) Unless otherwise agreed where the contract provides for payment on or after arrival of the goods the seller must before payment allow such preliminary inspection as is feasible; but if the goods are lost delivery of the documents and payment are due when the goods should have arrived.

Section 2—322. *Delivery "Ex-Ship".* (1) Unless otherwise agreed a term for delivery of goods "ex-ship" (which means from the carrying vessel) or in equivalent language is not restricted to a particular ship and requires delivery from a ship which has reached a place at the named port of destination where goods of the kind are usually discharged.

(2) Under such a term unless otherwise agreed

(a) the seller must discharge all liens arising out of the carriage and furnish the buyer with a direction which puts the carrier under a duty to deliver the goods; and

(b) the risk of loss does not pass to the buyer until the goods leave the ship's tackle or are otherwise properly unloaded.

Section 2–323. *Form of Bill of Lading Required in Overseas Shipment; "Overseas".* (1) Where the contract contemplates overseas shipment and contains a term C.I.F. or C. & F. or F.O.B. vessel, the seller unless otherwise agreed must obtain a negotiable bill of lading stating that the goods have been loaded on board or, in the case of a term C.I.F. or C. & F., received for shipment.

(2) Where in a case within subsection (1) a bill of lading has been issued in a set of parts, unless otherwise agreed if the documents are not to be sent from abroad the buyer may demand tender of the full set; otherwise only one part of the bill of lading need be tendered. Even if the agreement expressly requires a full set

(a) due tender of a single part is acceptable within the provisions of this Article on cure of improper delivery subsection (1) of Section 2–508; and

(b) even though the full set is demanded, if the documents are sent from abroad the person tendering an incomplete set may nevertheless require payment upon furnishing an indemnity which the buyer in good faith deems adequate.

(3) A shipment by water or by air or a contract contemplating such shipment is "overseas" insofar as by usage of trade or agreement it is subject to the commercial, financing or shipping practices characteristic of international deep water commerce.

Section 2–324. *"No Arrival, No Sale" Term.* Under a term "no arrival, no sale" or terms of like meaning, unless otherwise agreed,

(a) the seller must properly ship conforming goods and if they arrive by any means he must tender them on arrival but he assumes no obligation that the goods will arrive unless he has caused the non-arrival; and

(b) where without fault of the seller the goods are in part lost or have so deteriorated as no longer to conform to the contract or arrive after the contract time, the buyer may proceed as if there had been casualty to identified goods (Section 2–613).

Section 2–325. *"Letter of Credit" Term; "Confirmed Credit".* (1) Failure of the buyer seasonably to furnish an agreed letter of credit is a breach of the contract for sale.

(2) The delivery to seller of a proper letter of credit suspends the buyer's obligation to pay. If the letter of credit is dishonored, the seller may on seasonable notification to the buyer require payment directly from him.

(3) Unless otherwise agreed the term "letter of credit" or "banker's credit" in a contract for sale means an irrevocable credit issued by a financing agency of good repute and, where the shipment is overseas, of good international repute. The term "confirmed credit" means that the credit must also carry the direct obligation of such an agency which does business in the seller's financial market.

Section 2—326. *Sale on Approval and Sale or Return; Consignment Sales and Rights of Creditors.* (1) Unless otherwise agreed, if delivered goods may be returned by the buyer even though they conform to the contract, the transaction is

(a) a "sale on approval" if the goods are delivered primarily for use, and

(b) a "sale or return" if the goods are delivered primarily for resale.

(2) Except as provided in subsection (3), goods held on approval are not subject to the claims of the buyer's creditors until acceptance; goods held on sale or return are subject to such claims while in the buyer's possession.

(3) Where goods are delivered to a person for sale and such person maintains a place of business at which he deals in goods of the kind involved, under a name other than the name of the person making delivery, then with respect to claims of creditors of the person conducting the business the goods are deemed to be on sale or return. The provisions of this subsection are applicable even though an agreement purports to reserve title to the person making delivery until payment or resale or uses such words as "on consignment" or "on memorandum". However, this subsection is not applicable if the person making delivery

(a) complies with an applicable law providing for a consignor's interest or the like to be evidenced by a sign, or

(b) establishes that the person conducting the business is generally known by his creditors to be substantially engaged in selling the goods of others, or

(c) complies with the filing provisions of the Article on Secured Transactions (Article 9).

(4) Any "or return" term of a contract for sale is to be treated as a separate contract for sale within the statute of frauds section of this Article (Section 2—201) and as contradicting the sale aspect of the contract within the provisions of this Article on parol or extrinsic evidence (Section 2—202).

Section 2—327. *Special Incidents of Sale on Approval and Sale or Return.* (1) Under a sale on approval unless otherwise agreed

(a) although the goods are identified to the contract the risk of loss and the title do not pass to the buyer until acceptance; and

(b) use of the goods consistent with the purpose of trial is not acceptance but failure seasonably to notify the seller of election to return the goods is acceptance, and if the goods conform to the contract acceptance of any part is acceptance of the whole; and

(c) after due notification of election to return, the return is at the seller's risk and expense but a merchant buyer must follow any reasonable instructions.

(2) Under a sale or return unless otherwise agreed
(a) the option to return extends to the whole or any commercial unit of the goods while in substantially their original condition, but must be exercised seasonably; and
(b) the return is at the buyer's risk and expense.

Section 2–328. *Sale by Auction.* (1) In a sale by auction if goods are put up in lots each lot is the subject of a separate sale.

(2) A sale by auction is complete when the auctioneer so announces by the fall of the hammer or in other customary manner. Where a bid is made while the hammer is falling in acceptance of a prior bid the auctioneer may in his discretion reopen the bidding or declare the goods sold under the bid on which the hammer was falling.

(3) Such a sale is with reserve unless the goods are in explicit terms put up without reserve. In an auction with reserve the auctioneer may withdraw the goods at any time until he announces completion of the sale. In an auction without reserve, after the auctioneer calls for bids on an article or lot, that article or lot cannot be withdrawn unless no bid is made within a reasonable time. In either case a bidder may retract his bid until the auctioneer's announcement of completion of the sale, but a bidder's retraction does not revive any previous bid.

(4) If the auctioneer knowingly receives a bid on the seller's behalf or the seller makes or procures such a bid, and notice has not been given that liberty for such bidding is reserved, the buyer may at his option avoid the sale or take the goods at the price of the last good faith bid prior to the completion of the sale. This subsection shall not apply to any bid at a forced sale.

Part 4. Title, Creditors and Good Faith Purchasers

Section 2–401. *Passing of Title; Reservation for Security; Limited Application of This Section.* Each provision of this Article with regard to the rights, obligations and remedies of the seller, the buyer, purchasers or other third parties applies irrespective of title to the goods except where the provision refers to such title. Insofar as situations are not covered by the other provisions of this Article and matters concerning title become material the following rules apply:

(1) Title to goods cannot pass under a contract for sale prior to their identification to the contract (Section 2–501), and unless otherwise explicitly agreed the buyer acquires by their identification a special property as limited by this Act. Any retention or reservation by the seller of the title (property) in goods shipped or delivered to the buyer is limited in effect to a reservation of a security interest. Subject to these provisions and to the provisions of the Article on Secured

Transactions (Article 9), title to goods passes from the seller to the buyer in any manner and on any conditions explicitly agreed on by the parties.

(2) Unless otherwise explicitly agreed title passes to the buyer at the time and place at which the seller completes his performance with reference to the physical delivery of the goods, despite any reservation of a security interest and even though a document of title is to be delivered at a different time or place; and in particular and despite any reservation of a security interest by the bill of lading

(a) if the contract requires or authorizes the seller to send the goods to the buyer but does not require him to deliver them at destination, title passes to the buyer at the time and place of shipment; but

(b) if the contract requires delivery at destination, title passes on tender there.

(3) Unless otherwise explicitly agreed where delivery is to be made without moving the goods,

(a) if the seller is to deliver a document of title, title passes at the time when and the place where he delivers such documents; or

(b) if the goods are at the time of contracting already identified and no documents are to be delivered, title passes at the time and place of contracting.

(4) A rejection or other refusal by the buyer to receive or retain the goods, whether or not justified, or a justified revocation of acceptance revests title to the goods in the seller. Such revesting occurs by operation of law and is not a "sale".

Section 2—402. *Rights of Seller's Creditors Against Sold Goods.* (1) Except as provided in subsections (2) and (3), rights of unsecured creditors of the seller with respect to goods which have been identified to a contract for sale are subject to the buyer's rights to recover the goods under this Article (Sections 2—502 and 2—716).

(2) A creditor of the seller may treat a sale or an identification of goods to a contract for sale as void if as against him a retention of possession by the seller is fraudulent under any rule of law of the state where the goods are situated, except that retention of possession in good faith and current course of trade by a merchant-seller for a commercially reasonable time after a sale or identification is not fraudulent.

(3) Nothing in this Article shall be deemed to impair the rights of creditors of the seller

(a) under the provisions of the Article on Secured Transactions (Article 9); or

(b) where identification to the contract or delivery is made not in current course of trade but in satisfaction of or as security for a pre-existing claim for money, security or the like and is made under circumstances which under any rule of law of the state where the goods are situated would apart from this Article constitute the transaction a fraudulent transfer or voidable preference.

Section 2–403. *Power to Transfer; Good Faith Purchase of Goods; "Entrusting".* (1) A purchaser of goods acquires all title which his transferor had or had power to transfer except that a purchaser of a limited interest acquires rights only to the extent of the interest purchased. A person with voidable title has power to transfer a good title to a good faith purchaser for value. When goods have been delivered under a transaction of purchase the purchaser has such power even though

(a) the transferor was deceived as to the identity of the purchaser, or
(b) the delivery was in exchange for a check which is later dishonored, or
(c) it was agreed that the transaction was to be a "cash sale", or
(d) the delivery was procured through fraud punishable as larcenous under the criminal law.

(2) Any entrusting of possession of goods to a merchant who deals in goods of that kind gives him power to transfer all rights of the entruster to a buyer in ordinary course of business.

(3) "Entrusting" includes any delivery and any acquiescence in retention of possession regardless of any condition expressed between the parties to the delivery or acquiescence and regardless of whether the procurement of the entrusting or the possessor's disposition of the goods have been such as to be larcenous under the criminal law.

(4) The rights of other purchasers of goods and of lien creditors are governed by the Articles on Secured Transactions (Article 9), Bulk Transfers (Article 6) and Documents of Title (Article 7).

Part 5. Performance

Section 2–501. *Insurable Interest in Goods; Manner of Identification of Goods.* (1) The buyer obtains a special property and an insurable interest in goods by identification of existing goods as goods to which the contract refers even though the goods so identified are nonconforming and he has an option to return or reject them. Such identification can be made at any time and in any manner explicitly agreed to by the parties. In the absence of explicit agreement identification occurs

(a) when the contract is made if it is for the sale of goods already existing and identified;
(b) if the contract is for the sale of future goods other than those described in paragraph (c), when goods are shipped, marked or otherwise designated by the seller as goods to which the contract refers;

(c) when the crops are planted or otherwise become growing crops or the young are conceived if the contract is for the sale of unborn young to be born within twelve months after contracting or for the sale of crops to be harvested within twelve months or the next normal harvest season after contracting whichever is longer.

(2) The seller retains an insurable interest in goods so long as title to or any security interest in the goods remains in him and where the identification is by the seller alone he may until default or insolvency or notification to the buyer that the identification is final substitute other goods for those identified.

(3) Nothing in this section impairs any insurable interest recognized under any other statute or rule of law.

Section 2—502. *Buyer's Right to Goods on Seller's Insolvency.* (1) Subject to subsection (2) and even though the goods have not been shipped a buyer who has paid a part or all of the price of goods in which he has a special property under the provisions of the immediately preceding section may on making and keeping good a tender of any unpaid portion of their price recover them from the seller if the seller becomes insolvent within ten days after receipt of the first installment on their price.

(2) If the identification creating his special property has been made by the buyer he acquires the right to recover the goods only if they conform to the contract for sale.

Section 2—503. *Manner of Seller's Tender of Delivery.* (1) Tender of delivery requires that the seller put and hold conforming goods at the buyer's disposition and give the buyer any notification reasonably necessary to enable him to take delivery. The manner, time and place for tender are determined by the agreement and this Article, and in particular

(a) tender must be at a reasonable hour, and if it is of goods they must be kept available for the period reasonably necessary to enable the buyer to take possession; but

(b) unless otherwise agreed the buyer must furnish facilities reasonably suited to the receipt of the goods.

(2) Where the case is within the next section respecting shipment tender requires that the seller comply with its provisions.

(3) Where the seller is required to deliver at a particular destination tender requires that he comply with subsection (1) and also in any appropriate case tender documents as described in subsections (4) and (5) of this section.

(4) Where goods are in the possession of a bailee and are to be delivered without being moved

(a) tender requires that the seller either tender a negotiable document of title covering such goods or procure acknowledgement by the bailee of the buyer's right to possession of the goods; but

(b) tender to the buyer of a non-negotiable document of title or of a written direction to the bailee to deliver is sufficient tender unless the buyer seasonably objects, and receipt by the bailee of notification of the buyer's rights fixes those rights as against the bailee and all third persons; but risk of loss of the goods and of any failure by the bailee to honor the non-negotiable document of title or to obey the direction remains on the seller until the buyer has had a reasonable time to present the document or direction, and a refusal by the bailee to honor the document or to obey the direction defeats the tender.

(5) Where the contract requires the seller to deliver documents

(a) he must tender all such documents in correct form, except as provided in this Article with respect to bills of lading in a set (subsection (2) of Section 2–323); and

(b) tender through customary banking channels is sufficient and dishonor of a draft accompanying the documents constitutes non-acceptance or rejection.

Section 2–504. *Shipment by Seller.* Where the seller is required or authorized to send the goods to the buyer and the contract does not require him to deliver them at a particular destination, then unless otherwise agreed he must

(a) put the goods in the possession of such a carrier and make such a contract for their transportation as may be reasonable having regard to the nature of the goods and other circumstances of the case; and

(b) obtain and promptly deliver or tender in due form any document necessary to enable the buyer to obtain possession of the goods or otherwise required by the agreement or by usage of trade; and

(c) promptly notify the buyer of the shipment.

Failure to notify the buyer under paragraph (c) or to make a proper contract under paragraph (a) is a ground for rejection only if material delay or loss ensues.

Section 2–505. *Seller's Shipment Under Reservation.* (1) Where the seller has identified goods to the contract by or before shipment;

(a) his procurement of a negotiable bill of lading to his own order or otherwise reserves in him a security interest in the goods. His procurement of the bill to the order of a financing agency or of the buyer indicates in addition only the seller's expectation of transferring that interest to the person named.

(b) a non-negotiable bill of lading to himself or his nominee reserves possession of the goods as security but except in a case of conditional delivery (subsection (2) of Section 2–507) a non-negotiable bill of lading naming the buyer as consignee reserves no security interest even though the seller retains possession of the bill of lading.

(2) When shipment by the seller with reservation of a security interest is in violation of the contract for sale it constitutes an improper contract for transportation within the preceding section but impairs neither the rights given to the buyer by shipment and identification of the goods to the contract nor the seller's powers as a holder of a negotiable document.

Section 2–506. *Rights of Financing Agency.* (1) A financing agency by paying or purchasing for value a draft which relates to a shipment of goods acquires to the extent of the payment or purchase and in addition to its own rights under the draft and any document of title securing it any rights of the shipper in the goods including the right to stop delivery and the shipper's right to have the draft honored by the buyer.

(2) The right to reimbursement of a financing agency which has in good faith honored or purchased the draft under commitment to or authority from the buyer is not impaired by subsequent discovery of defects with reference to any relevant document which was apparently regular on its face.

Section 2–507. *Effect of Seller's Tender; Delivery on Condition.* (1) Tender of delivery is a condition to the buyer's duty to accept the goods and, unless otherwise agreed, to his duty to pay for them. Tender entitles the seller to acceptance of the goods and to payment according to the contract.

(2) Where payment is due and demanded on the delivery to the buyer of goods or documents of title, his right as against the seller to retain or dispose of them is conditional upon his making the payment due.

Section 2–508. *Cure by Seller of Improper Tender or Delivery; Replacement.* (1) Where any tender or delivery by the seller is rejected because non-conforming and the time for performance has not yet expired, the seller may seasonably notify the buyer of his intention to cure and may then within the contract time make a conforming delivery.

(2) Where the buyer rejects a non-conforming tender which the seller had reasonable grounds to believe would be acceptable with or without money allowance the seller may if he seasonably notifies the buyer have a further reasonable time to substitute a conforming tender.

Section 2–509. *Risk of Loss in the Absence of Breach.* (1) Where the contract requires or authorizes the seller to ship the goods by carrier

(a) if it does not require him to deliver them at a particular destination, the risk of loss passes to the buyer when the goods are duly delivered to the carrier even though the shipment is under reservation (Section 2–505); but

(b) if it does require him to deliver them at a particular destination and the goods are there duly tendered while in the possession of the carrier, the risk of loss passes to the buyer when the goods are there duly so tendered as to enable the buyer to take delivery.

(2) Where the goods are held by a bailee to be delivered without being moved, the risk of loss passes to the buyer

(a) on his receipt of a negotiable document of title covering the goods; or

(b) on acknowledgement by the bailee of the buyer's right to possession of the goods; or

(c) after his receipt of a non-negotiable document of title or other written direction to deliver, as provided in subsection (4)(b) of Section 2–503.

(3) In any case not within subsection (1) or (2), the risk of loss passes to the buyer on his receipt of the goods if the seller is a merchant; otherwise the risk passes to the buyer on tender of delivery.

(4) The provisions of this section are subject to contrary agreement of the parties and to the provisions of this Article on sale on approval (Section 2–327) and on effect of breach on risk of loss (Section 2–510).

Section 2–510. *Effect of Breach on Risk of Loss.* (1) Where a tender or delivery of goods so fails to conform to the contract as to give a right of rejection the risk of their loss remains on the seller until cure or acceptance.

(2) Where the buyer rightfully revokes acceptance he may to the extent of any deficiency in his effective insurance coverage treat the risk of loss as having rested on the seller from the beginning.

(3) Where the buyer as to conforming goods already identified to the contract for sale repudiates or is otherwise in breach before risk of their loss has passed to him, the seller may to the extent of any deficiency in his effective insurance coverage treat the risk of loss as resting on the buyer for a commercially reasonable time.

Section 2–511. *Tender of Payment by Buyer; Payment by Check.* (1) Unless otherwise agreed tender of payment is a condition to the seller's duty to tender and complete any delivery.

(2) Tender of payment is sufficient when made by any means or in any manner current in the ordinary course of business unless the seller demands payment in legal tender and gives any extension of time reasonably necessary to procure it.

(3) Subject to the provisions of this Act on the effect of an instrument on an obligation (Section 3—802), payment by check is conditional and is defeated as between the parties by dishonor of the check on due presentment.

Section 2—512. *Payment by Buyer Before Inspection.* (1) Where the contract requires payment before inspection non-conformity of the goods does not excuse the buyer from so making payment unless

(a) the non-conformity appears without inspection; or

(b) despite tender of the required documents the circumstances would justify injunction against honor under the provisions of this Act (Section 5—114).

(2) Payment pursuant to subsection (1) does not constitute an acceptance of goods or impair the buyer's right to inspect or any of his remedies.

Section 2—513. *Buyer's Right to Inspection of Goods.* (1) Unless otherwise agreed and subject to subsection (3), where goods are tendered or delivered or identified to the contract for sale, the buyer has a right before payment or acceptance to inspect them at any reasonable place and time and in any reasonable manner. When the seller is required or authorized to send the goods to the buyer, the inspection may be after their arrival.

(2) Expenses of inspection must be borne by the buyer but may be recovered from the seller if the goods do not conform and are rejected.

(3) Unless otherwise agreed and subject to the provisions of this Article on C.I.F. contracts (subsection (3) of Section 2—321), the buyer is not entitled to inspect the goods before payment of the price when the contract provides

(a) for delivery "C.O.D." or on other like terms; or

(b) for payment against documents of title, except where such payment is due only after the goods are to become available for inspection.

(4) A place or method of inspection fixed by the parties is presumed to be exclusive but unless otherwise expressly agreed it does not postpone identification or shift the place for delivery or for passing the risk of loss. If compliance becomes impossible, inspection shall be as provided in this section unless the place or method fixed was clearly intended as an indispensable condition failure of which avoids the contract.

Section 2—514. *When Documents Deliverable on Acceptance; When on Payment.* Unless otherwise agreed documents against which a draft is drawn are to be delivered to the drawee on acceptance of the draft if it is payable more than three days after presentment; otherwise, only on payment.

Section 2—515. *Preserving Evidence of Goods in Dispute.* In furtherance of the adjustment of any claim or dispute

(a) either party on reasonable notification to the other and for the purpose of ascertaining the facts and preserving evidence has the right to inspect, test and sample the goods including such of them as may be in the possession or control of the other; and

(b) the parties may agree to a third party inspection or survey to determine the conformity or condition of the goods and may agree that the findings shall be binding upon them in any subsequent litigation or adjustment.

Part 6. Breach, Repudiation and Excuse

Section 2—601. *Buyer's Rights on Improper Delivery.* Subject to the provisions of this Article on breach in installment contracts (Section 2—612) and unless otherwise agreed under the sections on contractual limitations of remedy (Sections 2—718 and 2—719), if the goods or the tender of delivery fail in any respect to conform to the contract, the buyer may

(a) reject the whole; or

(b) accept the whole; or

(c) accept any commercial unit or units and reject the rest.

Section 2—602. *Manner and Effect of Rightful Rejection.* (1) Rejection of goods must be within a reasonable time after their delivery or tender. It is ineffective unless the buyer seasonably notifies the seller.

(2) Subject to the provisions of the two following sections on rejected goods (Sections 2—603 and 2—604),

(a) after rejection any exercise of ownership by the buyer with respect to any commercial unit is wrongful as against the seller; and

(b) if the buyer has before rejection taken physical possession of goods in which he does not have a security interest under the provisions of this Article (subsection (3) of Section 2—711), he is under a duty after rejection to hold them with reasonable care at the seller's disposition for a time sufficient to permit the seller to remove them; but

(c) the buyer has no further obligations with regard to goods rightfully rejected.

(3) The seller's rights with respect to goods wrongfully rejected are governed by the provisions of this Article on Seller's remedies in general (Section 2—703).

Section 2—603. *Merchant Buyer's Duties as to Rightfully Rejected Goods.* (1) Subject to any security interest in the buyer (subsection (3) of Section 2—711), when the seller has no agent or place of business at the market of rejection a merchant buyer is under a duty after rejection of goods in his possession or control to follow any reasonable instructions received from the seller with respect to the goods and in the absence of such instructions to make reasonable efforts to sell them for the seller's account if they are perishable or threaten to decline in value speedily. Instructions are not reasonable if on demand indemnity for expenses is not forthcoming.

(2) When the buyer sells goods under subsection (1), he is entitled to reimbursement from the seller or out of the proceeds for reasonable expenses of caring for and selling them, and if the expenses include no selling commission then to such commission as is usual in the trade or if there is none to a reasonable sum not exceeding ten per cent on the gross proceeds.

(3) In complying with this section the buyer is held only to good faith and good faith conduct hereunder is neither acceptance nor conversion nor the basis of an action for damages.

Section 2–604. *Buyer's Options as to Salvage of Rightfully Rejected Goods.* Subject to the provisions of the immediately preceding section on perishables if the seller gives no instructions within a reasonable time after notification of rejection the buyer may store the rejected goods for the seller's account or reship them to him or resell them for the seller's account with reimbursement as provided in the preceding section. Such action is not acceptance or conversion.

Section 2–605. *Waiver of Buyer's Objections by Failure to Particularize.* (1) The buyer's failure to state in connection with rejection a particular defect which is ascertainable by reasonable inspection precludes him from relying on the unstated defect to justify rejection or to establish breach

(a) where the seller could have cured it if stated seasonably; or

(b) between merchants when the seller has after rejection made a request in writing for a full and final written statement of all defects on which the buyer proposes to rely.

(2) Payment against documents made without reservation of rights precludes recovery of the payment for defects apparent on the face of the documents.

Section 2–606. *What Constitutes Acceptance of Goods.* (1) Acceptance of goods occurs when the buyer

(a) after a reasonable opportunity to inspect the goods signifies to the seller that the goods are conforming or that he will take or retain them in spite of their non-conformity; or

(b) fails to make an effective rejection (subsection (1) of

Section 2—602), but such acceptance does not occur until the buyer has had a reasonable opportunity to inspect them; or

(c) does any act inconsistent with the seller's ownership; but if such act is wrongful as against the seller it is an acceptance only if ratified by him.

(2) Acceptance of a part of any commercial unit is acceptance of that entire unit.

Section 2—607. *Effect of Acceptance; Notice of Breach; Burden of Establishing Breach After Acceptance; Notice of Claim or Litigation to Person Answerable Over.* (1) The buyer must pay at the contract rate for any goods accepted.

(2) Acceptance of goods by the buyer precludes rejection of the goods accepted and if made with knowledge of a non-conformity cannot be revoked because of it unless the acceptance was on the reasonable assumption that the non-conformity would be seasonably cured but acceptance does not of itself impair any other remedy provided by this Article for non-conformity.

(3) Where a tender has been accepted

(a) the buyer must within a reasonable time after he discovers or should have discovered any breach notify the seller of breach or be barred from any remedy; and

(b) if the claim is one for infringement or the like (subsection (3) of Section 2—312) and the buyer is sued as a result of such a breach he must so notify the seller within a reasonable time after he receives notice of the litigation or be barred from any remedy over for liability established by the litigation.

(4) The burden is on the buyer to establish any breach with respect to the goods accepted.

(5) Where the buyer is sued for breach of a warranty or other obligation for which his seller is answerable over

(a) he may give his seller written notice of the litigation. If the notice states that the seller may come in and defend and that if the seller does not do so he will be bound in any action against him by his buyer by any determination of fact common to the two litigations, then unless the seller after seasonable receipt of the notice does come in and defend he is so bound;

(b) if the claim is one for infringement or the like (subsection (3) of Section 2—312) the original seller may demand in writing that his buyer turn over to him control of the litigation including settlement or else be barred from any remedy over and if he also agrees to bear all expense and to satisfy any adverse judgment, then unless the buyer after seasonable receipt of the demand does turn over control the buyer is so barred.

(6) The provisions of subsections (3), (4) and (5) apply to any obligation of a buyer to hold the seller harmless against infringement or the like (subsection (3) (b) of Section 2—312).

Section 2—608. *Revocation of Acceptance in Whole or in Part.* (1) The buyer may revoke his acceptance of a lot or commercial unit whose non-conformity substantially impairs its value to him if he has accepted it

(a) on the reasonable assumption that its non-conformity would be cured and it has not been seasonably cured; or

(b) without discovery of such non-conformity if his acceptance was reasonably induced either by the difficulty of discovery before acceptance or by the seller's assurances.

(2) Revocation of acceptance must occur within a reasonable time after the buyer discovers or should have discovered the ground for it and before any substantial change in condition of the goods which is not caused by their own defects. It is not effective until the buyer notifies the seller of it.

(3) A buyer who so revokes has the same rights and duties with regard to the goods involved as if he had rejected them.

Section 2—609. *Right to Adequate Assurance of Performance.* (1) A contract for sale imposes an obligation on each party that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party the other may in writing demand adequate assurance of due performance and until he receives such assurance may if commercially reasonable suspend any performance for which he has not already received the agreed return.

(2) Between merchants the reasonableness of grounds for insecurity and the adequacy of any assurance offered shall be determined according to commercial standards.

(3) Acceptance of any improper delivery or payment does not prejudice the aggrieved party's right to demand adequate assurances of future performance.

(4) After receipt of a justified demand failure to provide within a reasonable time not exceeding thirty days such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of the contract.

Section 2—610. *Anticipatory Repudiation.* When either party repudiates the contract with respect to a performance not yet due the loss of which will substantially impair the value of the contract to the other, the aggrieved party may

(a) for a commercially reasonable time await performance by the repudiating party; or

(b) resort to any remedy for breach (Section 2—703 or Section 2—711), even though he has notified the repudiating party that he would await the latter's performance and has urged retraction; and

(c) in either case suspend his own performance or proceed in accordance with the provisions of this Article on the seller's right to identify goods to the contract notwithstanding breach or to salvage unfinished goods (Section 2—704).

Section 2—611. *Retraction of Anticipatory Repudiation.* (1) Until the repudiating party's next performance is due he can retract his repudiation unless the aggrieved party has since the repudiation cancelled or materially changed his position or otherwise indicated that he considers the repudiation final.

(2) Retraction may be by any method which clearly indicates to the aggrieved party that the repudiating party intends to perform, but must include any assurance justifiably demanded under the provisions of this Article (Section 2—609).

(3) Retraction reinstates the repudiating party's rights under the contract with due excuse and allowance to the aggrieved party for any delay occasioned by the repudiation.

Section 2—612. *"Installment Contract"; Breach.* (1) An "installment contract" is one which requires or authorizes the delivery of goods in separate lots to be separately accepted, even though the contract contains a clause "each delivery is a separate contract" or its equivalent.

(2) The buyer may reject any installment which is non-conforming if the non-conformity substantially impairs the value of that installment and cannot be cured or if the non-conformity is a defect in the required documents; but if the non-conformity does not fall within subsection (3) and the seller gives adequate assurance of its cure the buyer must accept that installment.

(3) Whenever non-conformity or default with respect to one or more installments substantially impairs the value of the whole contract there is a breach of the whole. But the aggrieved party reinstates the contract if he accepts a non-conforming installment without seasonably notifying of cancellation or if he brings an action with respect only to past installments or demands performance as to future installments.

Section 2—613. *Casualty to Identified Goods.* Where the contract requires for its performance goods identified when the contract is made, and the goods suffer casualty without fault of either party before the risk of loss passes to the buyer, or in a proper case under a "no arrival, no sale" term (Section 2–324) then

(a) if the loss is total the contract is avoided; and

(b) if the loss is partial or the goods have so deteriorated as no longer to conform to the contract the buyer may nevertheless demand inspection and at his option either treat the contract as avoided or accept the goods with due allowance from the contract price for the deterioration or the deficiency in quantity but without further right against the seller.

Section 2–614. *Substituted Performance.* (1) Where without fault of either party the agreed berthing, loading, or unloading facilities fail or an agreed type of carrier becomes unavailable or the agreed manner of delivery otherwise becomes commercially impracticable but a commercially reasonable substitute is available, such substitute performance must be tendered and accepted.

(2) If the agreed means or manner of payment fails because of domestic or foreign governmental regulation, the seller may withhold or stop delivery unless the buyer provides a means or manner of payment which is commercially a substantial equivalent. If delivery has already been taken, payment by the means or in the manner provided by the regulation discharges the buyer's obligation unless the regulation is discriminatory, oppressive or predatory.

Section 2–615. *Excuse by Failure of Presupposed Conditions.* Except so far as a seller may have assumed a greater obligation and subject to the preceding section on substituted performance:

(a) Delay in delivery or non-delivery in whole or in part by a seller who complies with paragraphs (b) and (c) is not a breach of his duty under a contract for sale if performance as agreed has been made impracticable by the occurrence of a contingency the non-occurrence of which was a basic assumption on which the contract was made or by compliance in good faith with any applicable foreign or domestic governmental regulation or order whether or not it later proves to be invalid.

(b) Where the clauses mentioned in paragraph (a) affect only a part of the seller's capacity to perform, he must allocate production and deliveries among his customers but may at his option include regular customers not then under contract as well as his own requirements for further manufacture. He may so allocate in any manner which is fair and reasonable.

(c) The seller must notify the buyer seasonably that there will be delay or non-delivery and, when allocation is required under paragraph (b), of the estimated quota thus made available for the buyer.

Section 2–616. *Procedure on Notice Claiming Excuse.* (1) Where the buyer receives notification of a material or indefinite delay or an allocation justified under the preceding section he may by written notification to the seller as to any delivery concerned, and where the prospective deficiency substantially impairs the value of the whole contract under the provisions of this Article relating to breach of installment contracts (Section 2–612), then also as to the whole,

(a) terminate and thereby discharge any unexecuted portion of the contract; or

(b) modify the contract by agreeing to take his available quota in substitution.

(2) If after receipt of such notification from the seller the buyer fails so to modify the contract within a reasonable time not exceeding thirty days the contract lapses with respect to any deliveries affected.

(3) The provisions of this section may not be negated by agreement except in so far as the seller has assumed a greater obligation under the preceding section.

Part 7. Remedies

Section 2–701. *Remedies for Breach of Collateral Contracts Not Impaired.* Remedies for breach of any obligation or promise collateral or ancillary to a contract for sale are not impaired by the provisions of this Article.

Section 2–702. *Seller's Remedies on Discovery of Buyer's Insolvency.* (1) Where the seller discovers the buyer to be insolvent he may refuse delivery except for cash including payment for all goods theretofore delivered under the contract, and stop delivery under this Article (Section 2–705).

(2) Where the seller discovers that the buyer has received goods on credit while insolvent he may reclaim the goods upon demand made within ten days after the receipt, but if misrepresentation of solvency has been made to the particular seller in writing within three months before delivery the ten day limitation does not apply. Except as provided in this subsection the seller may not base a right to reclaim goods on the buyer's fraudulent or innocent misrepresentation of solvency or of intent to pay.

(3) The seller's right to reclaim under subsection (2) is subject to the rights of a buyer in ordinary course or other good faith purchaser or lien creditor under this Article (Section 2–403). Successful reclamation of goods excludes all other remedies with respect to them.

Section 2–703. *Seller's Remedies in General.* Where the buyer wrongfully rejects or revokes acceptance of goods or fails to make a payment due on or before delivery or repudiates with respect to a part or the whole, then with respect to any goods directly affected and, if the breach is of the whole contract (Section 2–612), then also with respect to the whole undelivered balance, the aggrieved seller may

(a) withhold delivery of such goods;
(b) stop delivery by any bailee as hereafter provided (Section 2–705);
(c) proceed under the next section respecting goods still unidentified to the contract;
(d) resell and recover damages as hereafter provided (Section 2–706);
(e) recover damages for non-acceptance (Section 2–708) or in a proper case the price (Section 2–709);
(f) cancel.

Section 2–704. *Seller's Right to Identify Goods to the Contract Notwithstanding Breach or to Salvage Unfinished Goods.* (1) An aggrieved seller under the preceding section may

(a) identify to the contract conforming goods not already identified if at the time he learned of the breach they are in his possession or control;
(b) treat as the subject of resale goods which have demonstrably been intended for the particular contract even though those goods are unfinished.

(2) Where the goods are unfinished an aggrieved seller may in the exercise of reasonable commercial judgment for the purposes of avoiding loss and of effective realization either complete the manufacture and wholly identify the goods to the contract or cease manufacture and resell for scrap or salvage value or proceed in any other reasonable manner.

Section 2–705. *Seller's Stoppage of Delivery in Transit or Otherwise.* (1) The seller may stop delivery of goods in the possession of a carrier or other bailee when he discovers the buyer to be insolvent (Section 2–702) and may stop delivery of carload, truckload, planeload or larger shipments of express or freight when the buyer repudiates or fails to make a payment due before delivery or if for any other reason the seller has a right to withhold or reclaim the goods.

(2) As against such buyer the seller may stop delivery until

(a) receipt of the goods by the buyer; or
(b) acknowledgement to the buyer by any bailee of the goods except a carrier that the bailee holds the goods for the buyer; or
(c) such acknowledgement to the buyer by a carrier by reshipment or as warehouseman; or
(d) negotiation to the buyer of any negotiable document of title covering the goods.

(3) (a) To stop delivery the seller must so notify as to enable the bailee by reasonable diligence to prevent delivery of the goods.

(b) After such notification the bailee must hold and deliver the goods according to the directions of the seller but the seller is liable to the bailee for any ensuing charges or damages.

(c) If a negotiable document of title has been issued for goods the bailee is not obliged to obey a notification to stop until surrender of the document.

(d) A carrier who has issued a non-negotiable bill of lading is not obliged to obey a notification to stop received from a person other than the consignor.

Section 2—706. *Seller's Resale Including Contract for Resale.* (1) Under the conditions stated in Section 2—703 on seller's remedies, the seller may resell the goods concerned or the undelivered balance thereof. Where the resale is made in good faith and in a commercially reasonable manner the seller may recover the difference between the resale price and the contract price together with any incidental damages allowed under the provisions of this Article (Section 2—710), but less expenses saved in consequence of the buyer's breach.

(2) Except as otherwise provided in subsection (3) or unless otherwise agreed resale may be at public or private sale including sale by way of one or more contracts to sell or of identification to an existing contract of the seller. Sale may be as a unit or in parcels and at any time and place and on any terms but every aspect of the sale including the method, manner, time, place and terms must be commercially reasonable. The resale must be reasonably identified as referring to the broken contract, but it is not necessary that the goods be in existence or that any or all of them have been identified to the contract before the breach.

(3) Where the resale is at private sale the seller must give the buyer reasonable notification of his intention to resell.

(4) Where the resale is at public sale

(a) only identified goods can be sold except where there is a recognized market for a public sale of futures in goods of the kind; and

(b) it must be made at a usual place or market for public sale if one is reasonably available and except in the case of goods which are perishable or threaten to decline in value speedily the seller must give the buyer reasonable notice of the time and place of the resale; and

(c) if the goods are not to be within the view of those attending the sale the notification of sale must state the place where the goods are located and provide for their reasonable inspection by prospective bidders; and

(d) the seller may buy.

(5) A purchaser who buys in good faith at a resale takes the goods free of any rights of the original buyer even though the seller fails to comply with one or more of the requirements of this section.

(6) The seller is not accountable to the buyer for any profit made on any resale. A person in the position of a seller (Section 2–707) or a buyer who has rightfully rejected or justifiably revoked acceptance must account for any excess over the amount of his security interest, as hereinafter defined (subsection (3) of Section 2–711).

Section 2–707. *"Person in the Position of a Seller."* (1) A "person in the position of a seller" includes as against a principal an agent who has paid or become responsible for the price of goods on behalf of his principal or anyone who otherwise holds a security interest or other right in goods similar to that of a seller.

(2) A person in the position of a seller may as provided in this Article withhold or stop delivery (Section 2–705) and resell (Section 2–706) and recover incidental damages (Section 2–710).

Section 2–708. *Seller's Damages for Non-acceptance or Repudiation.* (1) Subject to subsection (2) and to the provisions of this Article with respect to proof of market price (Section 2–723), the measure of damages for non-acceptance or repudiation by the buyer is the difference between the market price at the time and place for tender and the unpaid contract price together with any incidental damages provided in this Article (Section 2–710), but less expenses saved in consequence of the buyer's breach.

(2) If the measure of damages provided in subsection (1) is inadequate to put the seller in as good a position as performance would have done then the measure of damages is the profit (including reasonable overhead) which the seller would have made from full performance by the buyer, together with any incidental damages provided in this Article (Section 2–710), due allowance for costs reasonably incurred and due credit for payments or proceeds of resale.

Section 2–709. *Action for the Price.*

(1) When the buyer fails to pay the price as it becomes due the seller may recover, together with any incidental damages under the next section, the price

(a) of goods accepted or of conforming goods lost or damaged within a commercially reasonable time after risk of their loss has passed to the buyer; and

(b) of goods identified to the contract if the seller is unable after reasonable effort to resell them at a reasonable price or the circumstances reasonably indicate that such effort will be unavailing.

(2) Where the seller sues for the price he must hold for the buyer any goods which have been identified to the contract and are still in his control except that if resale becomes possible he may resell them at any time prior to the collection of the judgment. The net proceeds of any such resale must be credited to the buyer and payment of the judgment entitles him to any goods not resold.

(3) After the buyer has wrongfully rejected or revoked acceptance of the goods or has failed to make a payment due or has repudiated (Section 2–610), a seller who is held not entitled to the price under this section shall nevertheless be awarded damages for non-acceptance under the preceding section.

Section 2–710. *Seller's Incidental Damages.*

Incidental damages to an aggrieved seller include any commercially reasonable charges, expenses or commissions incurred in stopping delivery, in the transportation, care and custody of goods after the buyer's breach, in connection with return or resale of the goods or otherwise resulting from the breach.

Section 2–711. *Buyer's Remedies in General; Buyer's Security Interest in Rejected Goods.* (1) Where the seller fails to make delivery or repudiates or the buyer rightfully rejects or justifiably revokes acceptance then with respect to any goods involved, and with respect to the whole if the breach goes to the whole contract (Section 2–612), the buyer may cancel and whether or not he has done so may in addition to recovering so much of the price as has been paid

(a) "cover" and have damages under the next section as to all the goods affected whether or not they have been identified to the contract; or

(b) recover damages for non-delivery as provided in this Article (Section 2–713).

(2) Where the seller fails to deliver or repudiates the buyer may also

(a) if the goods have been identified recover them as provided in this Article (Section 2–502); or

(b) in a proper case obtain specific performance or replevy the goods as provided in this Article (Section 2–716).

(3) On rightful rejection or justifiable revocation of acceptance a buyer has a security interest in goods in his possession or control for any payments made on their price and any expenses reasonably incurred in their inspection, receipt, transportation, care and custody and may hold such goods and resell them in like manner as an aggrieved seller (Section 2–706).

Section 2–712. *"Cover"; Buyer's Procurement of Substitute Goods.* (1) After a breach within the preceding section the buyer may "cover" by making in good faith and without unreasonable delay any reasonable purchase of or contract to purchase goods in substitution for those due from the seller.

(2) The buyer may recover from the seller as damages the difference between the cost of cover and the contract price together with any incidental or consequential damages as hereinafter defined (Section 2—715), but less expenses saved in consequence of the seller's breach.

(3) Failure of the buyer to effect cover within this section does not bar him from any other remedy.

Section 2—713. *Buyer's Damages for Non-Delivery or Repudiation.* (1) Subject to the provisions of this Article with respect to proof of market price (Section 2—723), the measure of damages for non-delivery or repudiation by the seller is the difference between the market price at the time when the buyer learned of the breach and the contract price together with any incidental and consequential damages provided in this Article (Section 2—715), but less expenses saved in consequence of the seller's breach.

(2) Market price is to be determined as of the place for tender or, in cases of rejection after arrival or revocation of acceptance, as of the place of arrival.

Section 2—714. *Buyer's Damages for Breach in Regard to Accepted Goods.* (1) Where the buyer has accepted goods and given notification (subsection (3) of Section 2—607) he may recover as damages for any non-conformity of tender the loss resulting in the ordinary course of events from the seller's breach as determined in any manner which is reasonable.

(2) The measure of damages for breach of warranty is the difference at the time and place of acceptance between the value of the goods accepted and the value they would have had if they had been as warranted, unless special circumstances show proximate damages of a different amount.

(3) In a proper case any incidental and consequential damages under the next section may also be recovered.

Section 2—715. *Buyer's Incidental and Consequential Damages.* (1) Incidental damages resulting from the seller's breach includes expenses reasonably incurred in inspection, receipt, transportation and care and custody of goods rightfully rejected, any commercially reasonable charges, expenses or commissions in connection with effecting cover and any other reasonable expense incident to the delay or other breach.

(2) Consequential damages resulting from the seller's breach include

(a) any loss resulting from general or particular requirements and needs of which the seller at the time of contracting had reason to know and which could not reasonably be prevented by cover or otherwise; and

(b) injury to person or property proximately resulting from any breach of warranty.

Section 2–716. *Buyer's Right to Specific Performance or Replevin.* (1) Specific performance may be decreed where the goods are unique or in other proper circumstances.

(2) The decree for specific performance may include such terms and conditions as to payment of the price, damages, or other relief as the court may deem just.

(3) The buyer has a right of replevin for goods identified to the contract if after reasonable effort he is unable to effect cover for such goods or the circumstances reasonably indicate that such effort will be unavailing or if the goods have been shipped under reservation and satisfaction of the security interest in them has been made or tendered.

Section 2–717. *Deduction of Damages From the Price.* The buyer on notifying the seller of his intention to do so may deduct all or any part of the damages resulting from any breach of the contract from any part of the price still due under the same contract.

Section 2–718. *Liquidation or Limitation of Damages; Deposits.* (1) Damages for breach by either party may be liquidated in the agreement but only at an amount which is reasonable in the light of the anticipated or actual harm caused by the breach, the difficulties of proof of loss, and the inconvenience or non-feasibility of otherwise obtaining an adequate remedy. A term fixing unreasonably large liquidated damages is void as a penalty.

(2) Where the seller justifiably withholds delivery of goods because of the buyer's breach, the buyer is entitled to restitution of any amount by which the sum of his payments exceeds

(a) the amount to which the seller is entitled by virtue of terms liquidating the seller's damages in accordance with subsection (1), or

(b) in the absence of such terms, twenty per cent of the value of the total performance for which the buyer is obligated under the contract or $500, whichever is smaller.

(3) The buyer's right to restitution under subsection (2) is subject to offset to the extent that the seller establishes

(a) a right to recover damages under the provisions of this Article other than subsection (1), and

(b) the amount or value of any benefits received by the buyer directly or indirectly by reason of the contract.

(4) Where a seller has received payment in goods their reasonable value or the proceeds of their resale shall be treated as payments for the purposes of subsection (2); but if the seller has notice of the

buyer's breach before reselling goods received in part performance, his resale is subject to the conditions laid down in this Article on resale by an aggrieved seller (Section 2—706).

Section 2—719. *Contractual Modification or Limitation of Remedy.* (1) Subject to the provisions of subsections (2) and (3) of this section and of the preceding section on liquidation and limitation of damages,

(a) the agreement may provide for remedies in addition to or in substitution for those provided in this Article and may limit or alter the measure of damages recoverable under this Article, as by limiting the buyer's remedies to return of the goods and repayment of the price or to repair and replacement of non-conforming goods or parts; and

(b) resort to a remedy as provided is optional unless the remedy is expressly agreed to be exclusive, in which case it is the sole remedy.

(2) Where circumstances cause an exclusive or limited remedy to fail of its essential purpose, remedy may be had as provided in this Act.

(3) Consequential damages may be limited or excluded unless the limitation or exclusion is unconscionable. Limitation of consequential damages for injury to the person in the case of consumer goods is prima facie unconscionable but limitation of damages where the loss is commercial is not.

Section 2—720. *Effect of "Cancellation" or "Rescission" on Claims for Antecedent Breach.* Unless the contrary intention clearly appears, expressions of "cancellation" or "rescission" of the contract or the like shall not be construed as a renunciation or discharge of any claim in damages for an antecedent breach.

Section 2—721. *Remedies for Fraud.* Remedies for material misrepresentation or fraud include all remedies available under this Article for non-fraudulent breach. Neither rescission or a claim for rescission of the contract for sale nor rejection or return of the goods shall bar or be deemed inconsistent with a claim for damages or other remedy.

Section 2—722. *Who Can Sue Third Parties for Injury to Goods.* Where a third party so deals with goods which have been identified to a contract for sale as to cause actionable injury to a party to that contract

(a) a right of action against the third party is in either party to the contract for sale who has title to or a security interest or a special property or an insurable interest in the goods; and if the goods have been destroyed or converted a right of action is also in the party who either bore the risk of loss under the contract for sale or has since the injury assumed that risk as against the other;

(b) if at the time of the injury the party plaintiff did not bear the risk of loss as against the other party to the contract for sale and there is no arrangement between them for disposition of the recovery, his suit or settlement is, subject to his own interest, as a fiduciary for the other party to the contract;

(c) either party may with the consent of the other sue for the benefit of whom it may concern.

Section 2–723. *Proof of Market Price: Time and Place.* (1) If an action based on anticipatory repudiation comes to trial before the time for performance with respect to some or all of the goods, any damages based on market price (Section 2–708 or Section 2–713) shall be determined according to the price of such goods prevailing at the time when the aggrieved party learned of the repudiation.

(2) If evidence of a price prevailing at the times or places described in this Article is not readily available the price prevailing within any reasonable time before or after the time described or at any other place which in commercial judgment or under usage of trade would serve as a reasonable substitute for the one described may be used, making any proper allowance for the cost of transporting the goods to or from such other place.

(3) Evidence of a relevant price prevailing at a time or place other than the one described in this Article offered by one party is not admissible unless and until he has given the other party such notice as the court finds sufficient to prevent unfair surprise.

Section 2–724. *Admissibility of Market Quotations.* Whenever the prevailing price or value of any goods regularly bought and sold in any established commodity market is in issue, reports in official publications or trade journals or in newspapers or periodicals of general circulation published as the reports of such market shall be admissible in evidence. The circumstances of the preparation of such a report may be shown to affect its weight but not its admissibility.

Section 2–725. *Statute of Limitations in Contracts for Sale.* (1) An action for breach of any contract for sale must be commenced within four years after the cause of action has accrued. By the original agreement the parties may reduce the period of limitation to not less than one year but may not extend it.

(2) A cause of action accrues when the breach occurs, regardless of the aggrieved party's lack of knowledge of the breach. A breach of warranty occurs when tender of delivery is made, except that where a warranty explicitly extends to future performance of the goods and discovery of the breach must await the time of such performance the

cause of action accrues when the breach is or should have been discovered.

(3) Where an action commenced within the time limited by subsection (1) is so terminated as to leave available a remedy by another action for the same breach such other action may be commenced after the expiration of the time limited and within six months after the termination of the first action unless the termination resulted from voluntary discontinuance or from dismissal for failure or neglect to prosecute.

(4) This section does not alter the law on tolling of the statute of limitations nor does it apply to causes of action which have accrued before this Act becomes effective.

ARTICLE 3. COMMERCIAL PAPER

Part 1. Short Title, Form and Interpretation

Section 3—101. *Short Title.* This Article shall be known and may be cited as Uniform Commercial Code—Commercial Paper.

Section 3—102. *Definitions and Index of Definitions.* (1) In this Article unless the context otherwise requires

(a) "Issue" means the first delivery of an instrument to a holder or a remitter.

(b) An "order" is a direction to pay and must be more than an authorization or request. It must identify the person to pay with reasonable certainty. It may be addressed to one or more such persons jointly or in the alternative but not in succession.

(c) A "promise" is an undertaking to pay and must be more than an acknowledgement of an obligation.

(d) "Secondary party" means a drawer or endorser.

(e) "Instrument" means a negotiable instrument.

(2) Other definitions applying to this Article and the sections in which they appear are:

"Acceptance". Section 3—410.
"Accommodation party". Section 3—415.
"Alteration". Section 3—407.
"Certificate of deposit". Section 3—104.
"Certification". Section 3—411.
"Check". Section 3—104.
"Definite time". Section 3—109.
"Dishonor". Section 3—507.
"Documentary Draft". Section 4—104.
"Draft". Section 3—104.
"Holder in due course". Section 3—302.
"Negotiation". Section 3—202.
"Note". Section 3—104.

"Notice of dishonor". Section 3—508.
"On demand". Section 3—108.
"Presentment". Section 3—504.
"Protest". Section 3—509.
"Restrictive Indorsement". Section 3—205.
"Signature". Section 3—401.

(3) The following definitions in other Articles apply to this Article:

"Account". Section 4—104.
"Banking Day". Section 4—104.
"Clearing house". Section 4—104.
"Collecting bank". Section 4—105.
"Customer". Section 4—104.
"Depositary Bank". Section 4—105.
"Documentary Draft". Section 4—104.
"Intermediary Bank". Section 4—105.
"Item". Section 4—104.
"Midnight deadline". Section 4—104.
"Payor bank". Section 4—105.

(4) In addition Article 1 contains general definitions and principles of construction and interpretation applicable throughout this Article.

Section 3—103. *Limitations on Scope of Article.* (1) This Article does not apply to money, documents of title or investment securities.

(2) The provisions of this Article are subject to the provisions of the Article on Bank Deposits and Collections (Article 4) and Secured Transactions (Article 9).

Section 3—104. *Form of Negotiable Instruments; "Draft"; "Check"; "Certificate of Deposit"; "Note".* (1) Any writing to be a negotiable instrument within this Article must

(a) be signed by the maker or drawer; and
(b) contain an unconditional promise or order to pay a sum certain in money and no other promise, order, obligation or power given by the maker or drawer except as authorized by this Article; and
(c) be payable on demand or at a definite time; and
(d) be payable to order or to bearer.

(2) A writing which complies with the requirements of this section is

(a) a "draft" ("bill of exchange") if it is an order;
(b) a "check" if it is a draft drawn on a bank and payable on demand;
(c) a "certificate of deposit" if it is an acknowledgment by a bank of receipt of money with an engagement to repay it;

(d) a "note" if it is a promise other than a certificate of deposit.

(3) As used in other Articles of this Act, and as the context may require, the terms "draft", "check", "certificate of deposit" and "note" may refer to instruments which are not negotiable within this Article as well as to instruments which are so negotiable.

Section 3—105. *When Promise or Order Unconditional.* (1) A promise or order otherwise unconditional is not made conditional by the fact that the instrument

(a) is subject to implied or constructive conditions; or
(b) states its consideration, whether performed or promised, or the transaction which gave rise to the instrument, or that the promise or order is made or the instrument matures in accordance with or "as per" such transaction; or
(c) refers to or states that it arises out of a separate agreement; or
(d) states that it is drawn under a letter of credit; or
(e) states that it is secured, whether by mortgage, reservation of title or otherwise; or
(f) indicates a particular account to be debited or any other fund or source from which reimbursement is expected; or
(g) is limited to payment out of a particular fund or the proceeds of a particular source, if the instrument is issued by a government or governmental agency or unit; or
(h) is limited to payment out of the entire assets of a partnership, unincorporated association, trust or estate by or on behalf of which the instrument is issued.

(2) A promise or order is not unconditional if the instrument
(a) states that it is subject to or governed by any other agreement; or
(b) states that it is to be paid only out of a particular fund or source except as provided in this section.

Section 3—106. *Sum Certain.* (1) The sum payable is a sum certain even though it is to be paid

(a) with stated interest or by stated installments; or
(b) with stated different rates of interest before and after default or a specified date; or
(c) with a stated discount or addition if paid before or after the date fixed for payment; or
(d) with exchange or less exchange, whether at a fixed rate or at the current rate; or
(e) with costs of collection or an attorney's fee or both upon default.

(2) Nothing in this section shall validate any term which is otherwise illegal.

Section 3—107. *Money.* (1) An instrument is payable in money if the medium of exchange in which it is payable is money at the time the instrument is made. An instrument payable in "currency" or "current funds" is payable in money.

(2) A promise or order to pay a sum stated in a foreign currency is for a sum certain in money and, unless a different medium of payment is specified in the instrument, may be satisfied by payment of that number of dollars which the stated foreign currency will purchase at the buying sight rate for that currency on the day on which the instrument is payable or, if payable on demand, on the day of demand. If such an instrument specifies a foreign currency as the medium of payment the instrument is payable in that currency.

Section 3—108. *Payable on Demand.* Instruments payable on demand include those payable at sight or on presentation and those in which no time for payment is stated.

Section 3—109. *Definite Time.* (1) An instrument is payable at a definite time if by its terms it is payable

(a) on or before a stated date or at a fixed period after a stated date; or
(b) at a fixed period after sight; or
(c) at a definite time subject to any acceleration; or
(d) at a definite time subject to extension at the option of the holder, or to extension to a further definite time at the option of the maker or acceptor or automatically upon or after a specified act or event.

(2) An instrument which by its terms is otherwise payable only upon an act or event uncertain as to time of occurrence is not payable at a definite time even though the act or event has occurred.

Section 3—110. *Payable to Order.* (1) An instrument is payable to order when by its terms it is payable to the order or assigns of any person therein specified with reasonable certainty, or to him or his order, or when it is conspicuously designated on its face as "exchange" or the like and names a payee. It may be payable to the order of

(a) the maker or drawer; or
(b) the drawee; or
(c) a payee who is not maker, drawer or drawee; or
(d) two or more payees together or in the alternative; or
(e) an estate, trust or fund, in which case it is payable to the order of the representative of such estate, trust or fund or his successors; or
(f) an office, or an officer by his title as such in which case it is payable to the principal but the incumbent of the office or his successors may act as if he or they were the holder; or

(g) a partnership or unincorporated association, in which case it is payable to the partnership or association and may be indorsed or transferred by any person thereto authorized.

(2) An instrument not payable to order is not made so payable by such words as "payable upon return of this instrument properly indorsed."

(3) An instrument made payable both to order and to bearer is payable to order unless the bearer words are handwritten or typewritten.

Section 3—111. *Payable to Bearer.* An instrument is payable to bearer when by its terms it is payable to

(a) bearer or the order of bearer; or

(b) a specified person or bearer; or

(c) "cash" or the order of "cash", or any other indication which does not purport to designate a specific payee.

Section 3—112. *Terms and Omissions Not Affecting Negotiability.* (1) The negotiability of an instrument is not affected by

(a) the omission of a statement of any consideration or of the place where the instrument is drawn or payable; or

(b) a statement that collateral has been given for the instrument or in case of default on the instrument the collateral may be sold; or

(c) a promise or power to maintain or protect collateral or to give additional collateral; or

(d) a term authorizing a confession of judgment on the instrument if it is not paid when due; or

(e) a term purporting to waive the benefit of any law intended for the advantage or protection of any obligor; or

(f) a term in a draft providing that the payee by indorsing or cashing it acknowledges full satisfaction of an obligation of the drawer; or

(g) a statement in a draft drawn in a set of parts (Section 3—801) to the effect that the order is effective only if no other part has been honored.

(2) Nothing in this section shall validate any term which is otherwise illegal.

Section 3—113. *Seal.* An instrument otherwise negotiable is within this Article even though it is under a seal.

Section 3—114. *Date, Antedating, Postdating.* (1) The negotiability of an instrument is not affected by the fact that it is undated, antedated or postdated.

(2) Where an instrument is antedated or postdated the time when it is payable is determined by the stated date if the instrument is payable on demand or at a fixed period after date.

(3) Where the instrument or any signature thereon is dated, the date is presumed to be correct.

Section 3—115. *Incomplete Instruments.* (1) When a paper whose contents at the time of signing show that it is intended to become an instrument is signed while still incomplete in any necessary respect it cannot be enforced until completed, but when it is completed in accordance with authority given it is effective as completed.

(2) If the completion is unauthorized the rules as to material alteration apply (Section 3—407), even though the paper was not delivered by the maker or drawer; but the burden of establishing that any completion is unauthorized is on the party so asserting.

Section 3—116. *Instruments Payable to Two or More Persons.* An instrument payable to the order of two or more persons

(a) if in the alternative is payable to any one of them and may be negotiated, discharged or enforced by any of them who has possession of it;

(b) if not in the alternative is payable to all of them and may be negotiated, discharged or enforced only by all of them.

Section 3—117. *Instruments Payable With Words of Description.* An instrument made payable to a named person with the addition of words describing him

(a) as agent or officer of a specified person is payable to his principal but the agent or officer may act as if he were the holder;

(b) as any other fiduciary for a specified person or purpose is payable to the payee and may be negotiated, discharged or enforced by him;

(c) in any other manner is payable to the payee unconditionally and the additional words are without effect on subsequent parties.

Section 3—118. *Ambiguous Terms and Rules of Construction.* The following rules apply to every instrument:

(a) Where there is doubt whether the instrument is a draft or a note the holder may treat it as either. A draft drawn on the drawer is effective as a note.

(b) Handwritten terms control typewritten and printed terms, and typewritten control printed.

(c) Words control figures except that if the words are ambiguous figures control.

(d) Unless otherwise specified a provision for interest means interest at the judgment rate at the place of payment from the date of the instrument, or if it is undated from the date of issue.

(e) Unless the instrument otherwise specifies two or more persons who sign as maker, acceptor or drawer or indorser and as a part of the same transaction are jointly and severally liable even though the instrument contains such words as "I promise to pay."

(f) Unless otherwise specified consent to extension authorizes a single extension for not longer than the original period. A consent to extension, expressed in the instrument, is binding on secondary parties and accommodation makers. A holder may not exercise his option to extend an instrument over the objection of a maker or acceptor or other party who in accordance with Section 3—604 tenders full payment when the instrument is due.

Section 3—119. *Other Writings Affecting Instrument.* (1) As between the obligor and his immediate obligee or any transferee the terms of an instrument may be modified or affected by any other written agreement executed as a part of the same transaction, except that a holder in due course is not affected by any limitation of his rights arising out of the separate written agreement if he had no notice of the limitation when he took the instrument.

(2) A separate agreement does not affect the negotiability of an instrument.

Section 3—120. *Instruments "Payable Through" Bank.* An instrument which states that it is "payable through" a bank or the like designates that bank as a collecting bank to make presentment but does not of itself authorize the bank to pay the instrument.

Section 3—121. *Instruments Payable at Bank.* A note or acceptance which states that it is payable at a bank is the equivalent of a draft drawn on the bank payable when it falls due out of any funds of the maker or acceptor in current account or otherwise available for such payment.

Section 3—122. *Accrual of Cause of Action.* (1) A cause of action against a maker or an acceptor accrues

(a) in the case of a time instrument on the day after maturity;

(b) in the case of a demand instrument upon its date or, if no date is stated, on the date of issue.

(2) A cause of action against the obligor of a demand or time certificate of deposit accrues upon demand, but demand on a time certificate may not be made until on or after the date of maturity.

(3) A cause of action against a drawer of a draft or an indorser of any instrument accrues upon demand following dishonor of the instrument. Notice of dishonor is a demand.

(4) Unless an instrument provides otherwise, interest runs at the rate provided by law for a judgment

(a) in the case of a maker of a demand note, from the date of demand;

(b) in all other cases from the date of accrual of the cause of action.

Part 2. Transfer and Negotiation

Section 3—201. *Transfer: Right to Indorsement.* (1) Transfer of an instrument vests in the transferee such rights as the transferor has therein, except that a transferee who has himself been a party to any fraud or illegality affecting the instrument or who as a prior holder had notice of a defense or claim against it cannot improve his position by taking from a later holder in due course.

(2) A transfer of a security interest in an instrument vests the foregoing rights in the transferee to the extent of the interest transferred.

(3) Unless otherwise agreed any transfer for value of an instrument not then payable to bearer gives the transferee the specifically enforceable right to have the unqualified indorsement of the transferor. Negotiation takes effect only when the indorsement is made and until that time there is no presumption that the transferee is the owner.

Section 3—202. *Negotiation.* (1) Negotiation is the transfer of an instrument in such form that the transferee becomes a holder. If the instrument is payable to order it is negotiated by delivery with any necessary indorsement; if payable to bearer it is negotiated by delivery.

(2) An indorsement must be written by or on behalf of the holder and on the instrument or on a paper so firmly affixed thereto as to become a part thereof.

(3) An indorsement is effective for negotiation only when it conveys the entire instrument or any unpaid residue. If it purports to be of less it operates only as a partial assignment.

(4) Words of assignment, condition, waiver, guaranty, limitation or disclaimer of liability and the like accompanying an indorsement do not affect its character as an indorsement.

Section 3—203. *Wrong or Misspelled Name.* Where an instrument is made payable to a person under a misspelled name or one other than his own he may indorse in that name or his own or both; but signature in both names may be required by a person paying or giving value for the instrument.

Section 3—204. *Special Indorsement; Blank Indorsement.* (1) A special indorsement specifies the person to whom or to whose order it makes the instrument payable. Any instrument specially indorsed becomes payable to the order of the special indorsee and may be further negotiated only by his indorsement.

(2) An indorsement in blank specifies no particular indorsee and may consist of a mere signature. An instrument payable to order and indorsed in blank becomes payable to bearer and may be negotiated by delivery alone until specially indorsed.

(3) The holder may convert a blank indorsement into a special indorsement by writing over the signature of the indorser in blank any contract consistent with the character of the indorsement.

Section 3—205. *Restrictive Indorsements.* An indorsement is restrictive which either

(a) is conditional; or

(b) purports to prohibit further transfer of the instrument; or

(c) includes the words "for collection", "for deposit", "pay any bank", or like terms signifying a purpose of deposit or collection; or

(d) otherwise states that it is for the benefit or use of the indorser or of another person.

Section 3—206. *Effect of Restrictive Indorsement.* (1) No restrictive indorsement prevents further transfer or negotiation of the instrument.

(2) An intermediary bank, or a payor bank which is not the depositary bank, is neither given notice nor otherwise affected by a restrictive indorsement of any person except the bank's immediate transferor or the person presenting for payment.

(3) Except for an intermediary bank, any transferee under an indorsement which is conditional or includes the words "for collection", "for deposit", "pay any bank", or like terms (subparagraphs (a) and (c) of Section 3—205) must pay or apply any value given by him for or on the security of the instrument consistently with the indorsement and to the extent that he does so he becomes a holder for value. In addition such transferee is a holder in due course if he otherwise complies with the requirements of Section 3—302 on what constitutes a holder in due course.

(4) The first taker under an indorsement for the benefit of the indorser or another person (subparagraph (d) of Section 3—205) must pay or apply any value given by him for or on the security of the instrument consistently with the indorsement and to the extent that he does so he becomes a holder for value. In addition such taker is a holder in due course if he otherwise complies with the requirements of Section 3—302 on what constitutes a holder in due course. A later holder for value is neither given notice nor otherwise affected by such restrictive indorsement unless he has knowledge that a fiduciary or other person has negotiated the instrument in any transaction for his own benefit or otherwise in breach of duty (subsection (2) of Section 3—304).

Section 3—207. *Negotiation Effective Although It May Be Rescinded.* (1) Negotiation is effective to transfer the instrument although the negotiation is

(a) made by an infant, a corporation exceeding its powers, or any other person without capacity; or
(b) obtained by fraud, duress or mistake of any kind; or
(c) part of an illegal transaction; or
(d) made in breach of duty.

(2) Except as against a subsequent holder in due course such negotiation is in an appropriate case subject to rescission, the declaration of a constructive trust or any other remedy permitted by law.

Section 3—208. *Reacquisition.* Where an instrument is returned to or reacquired by a prior party he may cancel any indorsement which is not necessary to his title and reissue or further negotiate the instrument, but any intervening party is discharged as against the reacquiring party and subsequent holders not in due course and if his indorsement has been cancelled is discharged as against subsequent holders in due course as well.

Part 3. Rights of a Holder

Section 3—301. *Rights of a Holder.* The holder of an instrument whether or not he is the owner may transfer or negotiate it and, except as otherwise provided in Section 3—603 on payment or satisfaction, discharge it or enforce payment in his own name.

Section 3—302. *Holder in Due Course.* (1) A holder in due course is a holder who takes the instrument

(a) for value; and
(b) in good faith; and
(c) without notice that it is overdue or has been dishonored or of any defense against or claim to it on the part of any person.

(2) A payee may be a holder in due course.

(3) A holder does not become a holder in due course of an instrument:

(a) by purchase of it at judicial sale or by taking it under legal process; or
(b) by acquiring it in taking over an estate; or
(c) by purchasing it as part of a bulk transaction not in regular course of business of the transferor.

(4) A purchaser of a limited interest can be a holder in due course only to the extent of the interest purchased.

Section 3—303. *Taking for Value.* A holder takes the instrument for value

(a) to the extent that the agreed consideration has been performed or that he acquires a security interest in or a lien on the instrument otherwise than by legal process; or

(b) when he takes the instrument in payment of or as security for an antecedent claim against any person whether or not the claim is due; or

(c) when he gives a negotiable instrument for it or makes an irrevocable commitment to a third person.

Section 3—304. *Notice to Purchaser.* (1) The purchaser has notice of a claim or defense if

(a) the instrument is so incomplete, bears such visible evidence of forgery or alteration, or is otherwise so irregular as to call into question its validity, terms or ownership or to create an ambiguity as to the party to pay; or

(b) the purchaser has notice that the obligation of any party is voidable in whole or in part, or that all parties have been discharged.

(2) The purchaser has notice of a claim against the instrument when he has knowledge that a fiduciary has negotiated the instrument in payment of or as security for his own debt or in any transaction for his own benefit or otherwise in breach of duty.

(3) The purchaser has notice that an instrument is overdue if he has reason to know

(a) that any part of the principal amount is overdue or that there is an uncured default in payment of another instrument of the same series; or

(b) that acceleration of the instrument has been made; or

(c) that he is taking a demand instrument after demand has been made or more than a reasonable length of time after its issue. A reasonable time for a check drawn and payable within the states and territories of the United States and the District of Columbia is presumed to be thirty days.

(4) Knowledge of the following facts does not of itself give the purchaser notice of a defense or claim

(a) that the instrument is antedated or postdated;

(b) that it was issued or negotiated in return for an executory promise or accompanied by a separate agreement, unless the purchaser has notice that a defense or claim has arisen from the terms thereof;

(c) that any party has signed for accommodation;

(d) that an incomplete instrument has been completed, unless the purchaser has notice of any improper completion;

(e) that any person negotiating the instrument is or was a fiduciary;

(f) that there has been default in payment of interest on the instrument or in payment of any other instrument, except one of the same series.

(5) The filing or recording of a document does not of itself constitute notice within the provisions of this Article to a person who would otherwise be a holder in due course.

(6) To be effective notice must be received at such time and in such manner as to give a reasonable opportunity to act on it.

Section 3—305. *Rights of a Holder in Due Course.* To the extent that a holder is a holder in due course he takes the instrument free from

(1) all claims to it on the part of any person; and

(2) all defenses of any party to the instrument with whom the holder has not dealt except

- (a) infancy, to the extent that it is a defense to a simple contract; and
- (b) such other incapacity, or duress, or illegality of the transaction, as renders the obligation of the party a nullity; and
- (c) such misrepresentation as has induced the party to sign the instrument with neither knowledge nor reasonable opportunity to obtain knowledge of its character or its essential terms; and
- (d) discharge in insolvency proceedings; and
- (e) any other discharge of which the holder has notice when he takes the instrument.

Section 3—306. *Rights of One Not Holder in Due Course.* Unless he has the rights of a holder in due course any person takes the instrument subject to

- (a) all valid claims to it on the part of any person; and
- (b) all defenses of any party which would be available in an action on a simple contract; and
- (c) the defenses of want or failure of consideration, nonperformance of any condition precedent, non-delivery, or delivery for a special purpose (Section 3—408); and
- (d) the defense that he or a person through whom he holds the instrument acquired it by theft, or that payment or satisfaction to such holder would be inconsistent with the terms of a restrictive indorsement. The claim of any third person to the instrument is not otherwise available as a defense to any party liable thereon unless the third person himself defends the action for such party.

Section 3—307. *Burden of Establishing Signatures, Defenses and Due Course.* (1) Unless specifically denied in the pleadings each signature on an instrument is admitted. When the effectiveness of a signature is put in issue

- (a) the burden of establishing it is on the party claiming under the signature; but

(b) the signature is presumed to be genuine or authorized except where the action is to enforce the obligation of a purported signer who has died or become incompetent before proof is required.

(2) When signatures are admitted or established, production of the instrument entitles a holder to recover on it unless the defendant establishes a defense.

(3) After it is shown that a defense exists a person claiming the rights of a holder in due course has the burden of establishing that he or some person under whom he claims is in all respects a holder in due course.

Part 4. Liability of Parties

Section 3—401. *Signature.* (1) No person is liable on an instrument unless his signature appears thereon.

(2) A signature is made by use of any name, including any trade or assumed name, upon an instrument, or by any word or mark used in lieu of a written signature.

Section 3—402. *Signature in Ambiguous Capacity.* Unless the instrument clearly indicates that a signature is made in some other capacity it is an indorsement.

Section 3—403. *Signature by Authorized Representative.* (1) A signature may be made by an agent or other representative, and his authority to make it may be established as in other cases of representation. No particular form of appointment is necessary to establish such authority.

(2) An authorized representative who signs his own name to an instrument

(a) is personally obligated if the instrument neither names the person represented nor shows that the representative signed in a representative capacity;

(b) except as otherwise established between the immediate parties, is personally obligated if the instrument names the person represented but does not show that the representative signed in a representative capacity, or if the instrument does not name the person represented but does show that the representative signed in a representative capacity.

(3) Except as otherwise established the name of an organization preceded or followed by the name and office of an authorized individual is a signature made in a representative capacity.

Section 3—404. *Unauthorized Signatures.* (1) Any unauthorized signature is wholly inoperative as that of the person whose name is signed unless he ratifies it or is precluded from denying it; but it operates as the signature of the unauthorized signer in favor of any person who in good faith pays the instrument or takes it for value.

(2) Any unauthorized signature may be ratified for all purposes of this Article. Such ratification does not of itself affect any rights of the person ratifying against the actual signer.

Section 3—405. *Impostors; Signature in Name of Payee.* (1) An indorsement by any person in the name of a named payee is effective if

(a) an imposter by use of the mails or otherwise has induced the maker or drawer to issue the instrument to him or his confederate in the name of the payee; or

(b) a person signing as or on behalf of a maker or drawer intends the payee to have no interest in the instrument; or

(c) an agent or employee of the maker or drawer has supplied him with the name of the payee intending the latter to have no such interest.

(2) Nothing in this section shall affect the criminal or civil liability of the person so indorsing.

Section 3—406. *Negligence Contributing to Alteration or Unauthorized Signature.* Any person who by his negligence substantially contributes to a material alteration of the instrument or to the making of an authorized signature is precluded from asserting the alteration or lack of authority against a holder in due course or against a drawee or other payor who pays the instrument in good faith and in accordance with the reasonable commercial standards of the drawee's or payor's business.

Section 3—407. *Alteration.* (1) Any alteration of an instrument is material which changes the contract of any party thereto in any respect, including any such change in

(a) the number or relations of the parties; or

(b) an incomplete instrument, by completing it otherwise than as authorized; or

(c) the writing as signed, by adding to it or by removing any part of it.

(2) As against any person other than a subsequent holder in due course

(a) alteration by the holder which is both fraudulent and material discharges any party whose contract is thereby changed unless that party assents or is precluded from asserting the defense;

(b) no other alteration discharges any party and the instrument may be enforced according to its original tenor, or as to incomplete instruments according to the authority given.

(3) A subsequent holder in due course may in all cases enforce the instrument according to its original tenor, and when an incomplete instrument has been completed, he may enforce it as completed.

Section 3—408. *Consideration.* Want or failure of consideration is a defense as against any person not having the rights of a holder in due course (Section 3—305), except that no consideration is necessary for an instrument or obligation thereon given in payment of or as security for an antecedent obligation of any kind. Nothing in this section shall be taken to displace any statute outside this Act under which a promise is enforceable notwithstanding lack or failure of consideration. Partial failure of consideration is a defense pro tanto whether or not the failure is in an ascertained or liquidated amount.

Section 3—409. *Draft Not an Assignment.* (1) A check or other draft does not of itself operate as an assignment of any funds in the hands of the drawee available for its payment, and the drawee is not liable on the instrument until he accepts it.

(2) Nothing in this section shall affect any liability in contract, tort, or otherwise arising from any letter of credit or other obligation or representation which is not an acceptance.

Section 3—410. *Definition and Operation of Acceptance.* (1) Acceptance is the drawee's signed engagement to honor the draft as presented. It must be written on the draft, and may consist of his signature alone. It becomes operative when completed by delivery or notification.

(2) A draft may be accepted although it has not been signed by the drawer or is otherwise incomplete or is overdue or has been dishonored.

(3) Where the draft is payable at a fixed period after sight and the acceptor fails to date his acceptance the holder may complete it by supplying a date in good faith.

Section 3—411. *Certification of a Check.* (1) Certification of a check is acceptance. Where a holder procures certification the drawer and all prior indorsers are discharged.

(2) Unless otherwise agreed a bank has no obligation to certify a check.

(3) A bank may certify a check before returning it for lack of proper indorsement. If it does so the drawer is discharged.

Section 3—412. *Acceptance Varying Draft.* (1) Where the drawee's proffered acceptance in any manner varies the draft as presented the holder may refuse the acceptance and treat the draft as dishonored in which case the drawee is entitled to have his acceptance cancelled.

(2) The terms of the draft are not varied by an acceptance to pay at any particular bank or place in the continental United States, unless the acceptance states that the draft is to be paid only at such bank or place.

(3) Where the holder assents to an acceptance varying the terms of the draft each drawer and indorser who does not affirmatively assent is discharged.

Section 3—413. *Contract of Maker, Drawer and Acceptor.* (1) The maker or acceptor engages that he will pay the instrument according to its tenor at the time of his engagement or as completed pursuant to Section 3—115 on incomplete instruments.

(2) The drawer engages that upon dishonor of the draft and any necessary notice of dishonor or protest he will pay the amount of the draft to the holder or to any indorser who takes it up. The drawer may disclaim this liability by drawing without recourse.

(3) By making, drawing, or accepting the party admits as against all subsequent parties including the drawee the existence of the payee and his then capacity to indorse.

Section 3—414. *Contract of Indorser; Order of Liability.* (1) Unless the indorsement otherwise specifies (as by such words as "without recourse") every indorser engages that upon dishonor and any necessary notice of dishonor and protest he will pay the instrument according to its tenor at the time of his indorsement to the holder or to any subsequent indorser who takes it up, even though the indorser who takes it up was not obligated to do so.

(2) Unless they otherwise agree indorsers are liable to one another in the order in which they indorse, which is presumed to be the order in which their signatures appear on the instrument.

Section 3—415. *Contract of Accommodation Party.* (1) An accommodation party is one who signs the instrument in any capacity for the purpose of lending his name to another party to it.

(2) When the instrument has been taken for value before it is due the accommodation party is liable in the capacity in which he has signed even though the taker knows of the accommodation.

(3) As against a holder in due course and without notice of the accommodation oral proof of the accommodation is not admissible to give the accommodation party the benefit of discharges dependent on his character as such. In other cases the accommodation character may be shown by oral proof.

(4) An indorsement which shows that it is not in the chain of title is notice of its accommodation character.

(5) An accommodation party is not liable to the party accommodated, and if he pays the instrument has a right of recourse on the instrument against such party.

Section 3—416. *Contract of Guarantor.* (1) "Payment guaranteed" or equivalent words added to a signature mean that the signer engages that if the instrument is not paid when due he will pay it according to its tenor without resort by the holder to any other party.

(2) "Collection guaranteed" or equivalent words added to a signature mean that the signer engages that if the instrument is not paid when due he will pay it according to its tenor, but only after the holder has reduced his claim against the maker or acceptor to judgment and execution has been returned unsatisfied, or after the maker or acceptor has become insolvent or it is otherwise apparent that it is useless to proceed against him.

(3) Words of guaranty which do not otherwise specify guarantee payment.

(4) No words of guaranty added to the signature of a sole maker or acceptor affect his liability on the instrument. Such words added to the signature of one of two or more makers or acceptors create a presumption that the signature is for the accommodation of the others.

(5) When words of guaranty are used presentment, notice of dishonor and protest are not necessary to charge the user.

(6) Any guaranty written on the instrument is enforceable notwithstanding any statute of frauds.

Section 3–417. *Warranties on Presentment and Transfer.* (1) Any person who obtains payment or acceptance and any prior transferor warrants to a person who in good faith pays or accepts that

(a) he has a good title to the instrument or is authorized to obtain payment or acceptance on behalf of one who has a good title; and

(b) he has no knowledge that the signature of the maker or drawer is unauthorized, except that this warranty is not given by a holder in due course acting in good faith
  (i) to a maker with respect to the maker's own signature; or
  (ii) to a drawer with respect to the drawer's own signature, whether or not the drawer is also the drawee; or
  (iii) to an acceptor of a draft if the holder in due course took the draft after the acceptance or obtained the acceptance without knowledge that the drawer's signature was unauthorized; and

(c) the instrument has not been materially altered, except that this warranty is not given by a holder in due course acting in good faith
  (i) to the maker of a note; or
  (ii) to the drawer of a draft whether or not the drawer is also the drawee; or
  (iii) to the acceptor of a draft with respect to an alteration made prior to the acceptance if the holder in due course took the draft after the acceptance, even though the acceptance provided "payable as originally drawn" or equivalent terms; or

(iv) to the acceptor of a draft with respect to an alteration made after the acceptance.

(2) Any person who transfers an instrument and receives consideration warrants to his transferee and if the transfer is by indorsement to any subsequent holder who takes the instrument in good faith that

(a) he has a good title to the instrument or is authorized to obtain payment or acceptance on behalf of one who has a good title and the transfer is otherwise rightful; and

(b) all signatures are genuine or authorized; and

(c) the instrument has not been materially altered; and

(d) no defense of any party is good against him; and

(e) he has no knowledge of any insolvency proceeding instituted with respect to the maker or acceptor or the drawer of an unaccepted instrument.

(3) By transferring "without recourse" the transferor limits the obligation stated in subsection (2) (d) to a warranty that he has no knowledge of such a defense.

(4) A selling agent or broker who does not disclose the fact that he is acting only as such gives the warranties provided in this section, but if he makes such disclosure warrants only his good faith and authority.

Section 3—418. *Finality of Payment or Acceptance.* Except for recovery of bank payments as provided in the Article on Bank Deposits and Collections (Article 4) and except for liability for breach of warranty on presentment under the preceding section, payment or acceptance of any instrument is final in favor of a holder in due course, or a person who has in good faith changed his position in reliance on the payment.

Section 3—419. *Conversion of Instrument; Innocent Representative.* (1) An instrument is converted when

(a) a drawee to whom it is delivered for acceptance refuses to return it on demand; or

(b) any person to whom it is delivered for payment refuses on demand either to pay or to return it; or

(c) it is paid on a forged indorsement.

(2) In an action against a drawee under subsection (1) the measure of the drawee's liability is the face amount of the instrument. In any other action under subsection (1) the measure of liability is presumed to be the face amount of the instrument.

(3) Subject to the provisions of this Act concerning restrictive indorsements a representative, including a depositary or collecting bank, who has in good faith and in accordance with the reasonable commercial standards applicable to the business of such representative

dealt with an instrument or its proceeds on behalf of one who was not the true owner is not liable in conversion or otherwise to the true owner beyond the amount of any proceeds remaining in his hands.

(4) An intermediary bank or payor bank which is not a depositary bank is not liable in conversion solely by reason of the fact that proceeds of an item indorsed restrictively (Sections 3—205 and 3—206) are not paid or applied consistently with the restrictive indorsement of an indorser other than its immediate transferor.

Part 5. Presentment, Notice of Dishonor and Protest

Section 3—501. *When Presentment, Notice of Dishonor, and Protest Necessary or Permissible.* (1) Unless excused (Section 3—511) presentment is necessary to charge secondary parties as follows:

(a) presentment for acceptance is necessary to charge the drawer and indorsers of a draft where the draft so provides, or is payable elsewhere than at the residence or place of business of the drawee, or its date of payment depends upon such presentment. The holder may at his option present for acceptance any other draft payable at a stated date;

(b) presentment for payment is necessary to charge any indorser;

(c) in the case of any drawer, the acceptor of a draft payable at a bank or the maker of a note payable at a bank, presentment for payment is necessary, but failure to make presentment discharges such drawer, acceptor or maker only as stated in Section 3—502 (1) (b).

(2) Unless excused (Section 3—511)

(a) notice of any dishonor is necessary to charge any indorser;

(b) in the case of any drawer, the acceptor of a draft payable at a bank or the maker of a note payable at a bank, notice of any dishonor is necessary, but failure to give such notice discharges such drawer, acceptor or maker only as stated in Section 3—502 (1) (b).

(3) Unless excused (Section 3—511) protest of any dishonor is necessary to charge the drawer and indorsers of any draft which on its face appears to be drawn or payable outside of the states and territories of the United States and the District of Columbia. The holder may at his option make protest of any dishonor of any other instrument and in the case of a foreign draft may on insolvency of the acceptor before maturity make protest for better security.

(4) Notwithstanding any provision of this section, neither presentment nor notice of dishonor nor protest is necessary to charge an endorser who has indorsed an instrument after maturity.

Section 3—502. *Unexcused Delay; Discharge.* (1) Where without excuse any necessary presentment or notice of dishonor is delayed beyond the time when it is due

(a) any indorser is discharged; and

(b) any drawer or the acceptor of a draft payable at a bank or the maker of a note payable at a bank who because the drawee or payor bank becomes insolvent during the delay is deprived of funds maintained with the drawee or payor bank to cover the instrument may discharge his liability by written assignment to the holder of his rights against the drawee or payor bank in respect of such funds, but such drawer, acceptor or maker is not otherwise discharged.

(2) Where without excuse a necessary protest is delayed beyond the time when it is due any drawer or indorser is discharged.

Section 3—503. *Time of Presentment.* (1) Unless a different time is expressed in the instrument the time for any presentment is determined as follows:

(a) where an instrument is payable at or a fixed period after a stated date any presentment for acceptance must be made on or before the date it is payable;

(b) where an instrument is payable after sight it must either be presented for acceptance or negotiated within a reasonable time after date or issue whichever is later;

(c) where an instrument shows the date on which it is payable presentment for payment is due on that date;

(d) where an instrument is accelerated presentment for payment is due within a reasonable time after the acceleration;

(e) with respect to the liability of any secondary party presentment for acceptance or payment of any other instrument is due within a reasonable time after such party becomes liable thereon.

(2) A reasonable time for presentment is determined by the nature of the instrument, any usage of banking or trade and the facts of the particular case. In the case of an uncertified check which is drawn and payable within the United States and which is not a draft drawn by a bank the following are presumed to be reasonable periods within which to present for payment or to initiate bank collection:

(a) with respect to the liability of the drawer, thirty days after date or issue whichever is later; and

(b) with respect to the liability of an endorser, seven days after his indorsement.

(3) Where any presentment is due on a day which is not a full business day for either the person making presentment or the party to pay or accept, presentment is due on the next following day which is a full business day for both parties.

(4) Presentment to be sufficient must be made at a reasonable hour, and if at a bank during its banking day.

Section 3—504. *How Presentment Made.* (1) Presentment is a demand for acceptance or payment made upon the maker, acceptor, drawee or other payor by or on behalf of the holder.

(2) Presentment may be made

(a) by mail, in which event the time of presentment is determined by the time of receipt of the mail; or

(b) through a clearing house; or

(c) at the place of acceptance or payment specified in the instrument or if there be none at the place of business or residence of the party to accept or pay. If neither the party to accept or pay nor anyone authorized to act for him is present or accessible at such place presentment is excused.

(3) It may be made

(a) to any one of two or more makers, acceptors, drawees or other payors; or

(b) to any person who has authority to make or refuse the acceptance or payment.

(4) A draft accepted or a note made payable at a bank in the continental United States must be presented at such bank.

(5) In the cases described in Section 4—210 presentment may be made in the manner and with the result stated in that section.

Section 3—505. *Rights of Party to Whom Presentment Is Made.* (1) The party to whom presentment is made may without dishonor require

(a) exhibition of the instrument; and

(b) reasonable identification of the person making presentment and evidence of his authority to make it if made for another; and

(c) that the instrument be produced for acceptance or payment at a place specified in it, or if there be none at any place reasonable in the circumstances; and

(d) a signed receipt on the instrument for any partial or full payment and its surrender upon full payment.

(2) Failure to comply with any such requirement invalidates the presentment but the person presenting has a reasonable time in which to comply and the time for acceptance or payment runs from the time of compliance.

Section 3—506. *Time Allowed for Acceptance or Payment.*

(1) Acceptance may be deferred without dishonor until the close of the next business day following presentment. The holder may also in a good faith effort to obtain acceptance and without either dis-

honor of the instrument or discharge of secondary parties allow postponement of acceptance for an additional business day.

(2) Except as a longer time is allowed in the case of documentary drafts drawn under a letter of credit, and unless an earlier time is agreed to by the party to pay, payment of an instrument may be deferred without dishonor pending reasonable examination to determine whether it is properly payable, but payment must be made in any event before the close of business on the day of presentment.

Section 3–507. *Dishonor; Holder's Right of Recourse; Term Allowing Re-Presentment.* (1) An instrument is dishonored when

(a) a necessary or optional presentment is duly made and due acceptance or payment is refused or cannot be obtained within the prescribed time or in case of bank collections the instrument is seasonably returned by the midnight deadline (Section 4–301); or

(b) presentment is excused and the instrument is not duly accepted or paid.

(2) Subject to any necessary notice of dishonor and protest, the holder has upon dishonor an immediate right of recourse against the drawers and indorsers.

(3) Return of an instrument for lack of proper indorsement is not dishonor.

(4) A term in a draft or an indorsement thereof allowing a stated time for re-presentment in the event of any dishonor of the draft by nonacceptance if a time draft or by nonpayment if a sight draft gives the holder as against any secondary party bound by the term an option to waive the dishonor without affecting the liability of the secondary party and he may present again up to the end of the stated time.

Section 3–508. *Notice of Dishonor.* (1) Notice of dishonor may be given to any person who may be liable on the instrument by or on behalf of the holder or any party who has himself received notice, or any other party who can be compelled to pay the instrument. In addition an agent or bank in whose hands the instrument is dishonored may give notice to his principal or customer or to another agent or bank from which the instrument was received.

(2) Any necessary notice must be given by a bank before its midnight deadline and by any other person before midnight of the third business day after dishonor or receipt of notice of dishonor.

(3) Notice may be given in any reasonable manner. It may be oral or written and in any terms which identify the instrument and state that it has been dishonored. A misdescription which does not mislead the party notified does not vitiate the notice. Sending the instrument bearing a stamp, ticket or writing stating that acceptance or payment has been refused or sending a notice of debit with respect to the instrument is sufficient.

(4) Written notice is given when sent although it is not received.

(5) Notice to one partner is notice to each although the firm has been dissolved.

(6) When any party is in insolvency proceedings instituted after the issue of the instrument notice may be given either to the party or to the representative of his estate.

(7) When any party is dead or incompetent notice may be sent to his last known address or given to his personal representative.

(8) Notice operates for the benefit of all parties who have rights on the instrument against the party notified.

Section 3—509. *Protest; Noting for Protest.* (1) A protest is a certificate of dishonor made under the hand and seal of a United States consul or vice consul or a notary public or other person authorized to certify dishonor by the law of the place where dishonor occurs. It may be made upon information satisfactory to such person.

(2) The protest must identify the instrument and certify either that due presentment has been made or the reason why it is excused and that the instrument has been dishonored by nonacceptance or nonpayment.

(3) The protest may also certify that notice of dishonor has been given to all parties or to specified parties.

(4) Subject to subsection (5) any necessary protest is due by the time that notice of dishonor is due.

(5) If, before protest is due, an instrument has been noted for protest by the officer to make protest, the protest may be made at any time thereafter as of the date of the noting.

Section 3—510. *Evidence of Dishonor and Notice of Dishonor.* The following are admissible as evidence and create a presumption of dishonor and of any notice of dishonor therein shown:

(a) a document regular in form as provided in the preceding section which purports to be a protest;

(b) the purported stamp or writing of the drawee, payor bank or presenting bank on the instrument or accompanying it stating that acceptance or payment has been refused for reasons consistent with dishonor;

(c) any book or record of the drawee, payor bank, or any collecting bank kept in the usual course of business which shows dishonor, even though there is no evidence of who made the entry.

Section 3—511. *Waived or Excused Presentment, Protest or Notice of Dishonor or Delay Therein.* (1) Delay in presentment, protest or notice of dishonor is excused when the party is without notice that it is due or when the delay is caused by circumstances beyond his control and he exercises reasonable diligence after the cause of the delay ceases to operate.

(2) Presentment or notice or protest as the case may be is entirely excused when

- (a) the party to be charged has waived it expressly or by implication either before or after it is due; or
- (b) such party has himself dishonored the instrument or has countermanded payment or otherwise has no reason to expect or right to require that the instrument be accepted or paid; or
- (c) by reasonable diligence the presentment or protest cannot be made or the notice given.

(3) Presentment is also entirely excused when

- (a) the maker, acceptor or drawee of any instrument except a documentary draft is dead or in insolvency proceedings instituted after the issue of the instrument; or
- (b) acceptance or payment is refused but not for want of proper presentment.

(4) Where a draft has been dishonored by nonacceptance a later presentment for payment and any notice of dishonor and protest for nonpayment are excused unless in the meantime the instrument has been accepted.

(5) A waiver of protest is also a waiver of presentment and of notice of dishonor even though protest is not required.

(6) Where a waiver of presentment or notice or protest is embodied in the instrument itself it is binding upon all parties; but where it is written above the signature of an indorser it binds him only.

Part 6. Discharge

Section 3—601. *Discharge of Parties.* (1) The extent of the discharge of any party from liability on an instrument is governed by the sections on

- (a) payment or satisfaction (Section 3—603); or
- (b) tender of payment (Section 3—604); or
- (c) cancellation or renunciation (Section 3—605); or
- (d) impairment of right of recourse or of security (Section 3—606); or
- (e) reacquisition of the instrument by a prior party (Section 3—208); or
- (f) fraudulent and material alteration (Section 3—407); or
- (g) certification of a check (Section 3—411); or
- (h) acceptance varying a draft (Section 3—412); or
- (i) unexcused delay in presentment or notice of dishonor or protest (Section 3—502).

(2) Any party is also discharged from his liability on an instrument to another party by any other act or agreement with such party which would discharge his simple contract for the payment of money.

(3) The liability of all parties is discharged when any party who has himself no right of action or recourse on the instrument

(a) reacquires the instrument in his own right; or
(b) is discharged under any provision of this Article, except as otherwise provided with respect to discharge for impairment of recourse or of security (Section 3—606).

Section 3—602. *Effect of Discharge Against Holder in Due Course.* No discharge of any party provided by this Article is effective against a subsequent holder in due course unless he has notice thereof when he takes the instrument.

Section 3—603. *Payment or Satisfaction.* (1) The liability of any party is discharged to the extent of his payment or satisfaction to the holder even though it is made with knowledge of a claim of another person to the instrument unless prior to such payment or satisfaction the person making the claim either supplies indemnity deemed adequate by the party seeking the discharge or enjoins payment or satisfaction by order of a court of competent jurisdiction in an action in which the adverse claimant and the holder are parties. This subsection does not, however, result in the discharge of the liability
(a) of a party who in bad faith pays or satisfies a holder who acquired the instrument by theft or who (unless having the rights of a holder in due course) holds through one who so acquired it; or
(b) of a party (other than an intermediary bank or a payor bank which is not a depositary bank) who pays or satisfies the holder of an instrument which has been restrictively indorsed in a manner not consistent with the terms of such restrictive indorsement.

(2) Payment or satisfaction may be made with the consent of the holder by any person including a stranger to the instrument. Surrender of the instrument to such a person gives him the rights of a transferee (Section 3—201).

Section 3—604. *Tender of Payment.* (1) Any party making tender of full payment to a holder when or after it is due is discharged to the extent of all subsequent liability for interest, cost and attorney's fees.

(2) The holder's refusal of such tender wholly discharges any party who has a right of recourse against the party making the tender.

(3) Where the maker or acceptor of an instrument payable otherwise than on demand is able and ready to pay at every place of payment specified in the instrument when it is due, it is equivalent to tender.

Section 3—605. *Cancellation and Renunciation.* (1) The holder of an instrument may even without consideration discharge any party
(a) in any manner apparent on the face of the instrument

or the indorsement, as by intentionally cancelling the instrument or the party's signature by destruction or mutilation, or by striking out the party's signature; or

(b) by renouncing his rights by a writing signed and delivered or by surrender of the instrument to the party to be discharged.

(2) Neither cancellation nor renunciation without surrender of the instrument affects the title thereto.

Section 3–606. *Impairment of Recourse or of Collateral.* (1) The holder discharges any party to the instrument to the extent that without such party's consent the holder

(a) without express reservation of rights releases or agrees not to sue any person against whom the party has to the knowledge of the holder a right of recourse or agrees to suspend the right to enforce against such person the instrument or collateral or otherwise discharges such person, except that failure or delay in effecting any required presentment, protest or notice of dishonor with respect to any such person does not discharge any party as to whom presentment, protest or notice of dishonor is effective or unnecessary; or

(b) unjustifiably impairs any collateral for the instrument given by or on behalf of the party or any person against whom he has a right of recourse.

(2) By express reservation of rights against a party with a right of recourse the holder preserves

(a) all his rights against such party as of the time when the instrument was originally due; and

(b) the right of the party to pay the instrument as of that time; and

(c) all rights of such party to recourse against others.

Part 7. Advice of International Sight Draft

Section 3–701. *Letter of Advice of International Sight Draft.* (1) A "letter of advice" is a drawer's communication to the drawee that a described draft has been drawn.

(2) Unless otherwise agreed when a bank receives from another bank a letter of advice of an international sight draft the drawee bank may immediately debit the drawer's account and stop the running of interest pro tanto. Such a debit and any resulting credit to any account covering outstanding drafts leaves in the drawer full power to stop payment or otherwise dispose of the amount and creates no trust or interest in favor of the holder.

(3) Unless otherwise agreed and except where a draft is drawn under a credit issued by the drawee, the drawee of an international

sight draft owes the drawer no duty to pay an unadvised draft but if it does so and the draft is genuine, may appropriately debit the drawer's account.

Part 8. Miscellaneous

Section 3—801. *Drafts in a Set.* (1) Where a draft is drawn in a set of parts, each of which is numbered and expressed to be an order only if no other part has been honored, the whole of the parts constitutes one draft but a taker of any part may become a holder in due course of the draft.

(2) Any person who negotiates, indorses or accepts a single part of a draft drawn in a set thereby becomes liable to any holder in due course of that part as if it were the whole set, but as between different holders in due course to whom different parts have been negotiated the holder whose title first accrues has all rights to the draft and its proceeds.

(3) As against the drawee the first presented part of a draft drawn in a set is the part entitled to payment, or if a time draft to acceptance and payment. Acceptance of any subsequently presented part renders the drawee liable thereon under subsection (2). With respect both to a holder and to the drawer payment of a subsequently presented part of a draft payable at sight has the same effect as payment of a check notwithstanding an effective stop order (Section 4—407).

(4) Except as otherwise provided in this section, where any part of a draft in a set is discharged by payment or otherwise the whole draft is discharged.

Section 3—802. *Effect of Instrument on Obligation for Which It is Given.* (1) Unless otherwise agreed where an instrument is taken for an underlying obligation

(a) the obligation is pro tanto discharged if a bank is drawer, maker or acceptor of the instrument and there is no recourse on the instrument against the underlying obligor; and

(b) in any other case the obligation is suspended pro tanto until the instrument is due or if it is payable on demand until its presentment. If the instrument is dishonored action may be maintained on either the instrument or the obligation; discharge of the underlying obligor on the instrument also discharges him on the obligation.

(2) The taking in good faith of a check which is not postdated does not of itself so extend the time on the original obligation as to discharge a surety.

Section 3—803. *Notice to Third Party.* Where a defendant is sued for breach of an obligation for which a third person is answerable over under this Article he may give the third person written notice of the litigation, and the person notified may then give similar notice to any other person who is answerable over to him under this Article. If the notice states that the person notified may come in and defend and that if the person notified does not do so he will in any action against him by the person giving the notice be bound by any determination of fact common to the two litigations, then unless after seasonable receipt of the notice the person notified does come in and defend he is so bound.

Section 3—804. *Lost, Destroyed or Stolen Instruments.* The owner of an instrument which is lost, whether by destruction, theft or otherwise, may maintain an action in his own name and recover from any party liable thereon upon due proof of his ownership, the facts which prevent his production of the instrument and its terms. The court may require security indemnifying the defendant against loss by reason of further claims on the instrument.

Section 3—805. *Instruments Not Payable to Order or to Bearer.* This Article applies to any instrument whose terms do not preclude transfer and which is otherwise negotiable within this Article but which is not payable to order or to bearer, except that there can be no holder in due course of such an instrument.

ARTICLE 4. BANK DEPOSITS AND COLLECTIONS

Part 1. General Provisions and Definitions

Section 4—101. *Short Title.* This Article shall be known and may be cited as Uniform Commercial Code — Bank Deposits and Collections.

Section 4—102. *Applicability.* (1) To the extent that items within this Article are also within the scope of Articles 3 and 8, they are subject to the provisions of those Articles. In the event of conflict the provisions of this Article govern those of Article 3 but the provisions of Article 8 govern those of this Article.

(2) The liability of a bank for action or non-action with respect to any item handled by it for purposes of presentment, payment or collection is governed by the law of the place where the bank is located. In the case of action or non-action by or at a branch or separate office of a bank, its liability is governed by the law of the place where the branch or separate office is located.

Section 4—103. *Variation by Agreement; Measure of Damages; Certain Action Constituting Ordinary Care.* (1) The effect of the provisions of this Article may be varied by agreement except that no agreement can disclaim a bank's responsibility for its own lack of good faith or failure to exercise ordinary care or can limit the measure of damages for such lack or failure; but the parties may by agreement determine the standards by which such responsibility is to be measured if such standards are not manifestly unreasonable.

(2) Federal Reserve regulations and operating letters, clearing house rules, and the like, have the effect of agreements under subsection (1), whether or not specifically assented to by all parties interested in items handled.

(3) Action or non-action approved by this Article or pursuant to Federal Reserve regulations or operating letters constitutes the exercise of ordinary care and, in the absence of special instructions, action or non-action consistent with clearing house rules and the like or with a general banking usage not disapproved by this Article, prima facie constitutes the exercise of ordinary care.

(4) The specification or approval of certain procedures by this Article does not constitute disapproval of other procedures which may be reasonable under the circumstances.

(5) The measure of damages for failure to exercise ordinary care in handling an item is the amount of the item reduced by an amount which could not have been realized by the use of ordinary care, and where there is bad faith it includes other damages, if any, suffered by the party as a proximate consequence.

Section 4—104. *Definitions and Index of Definitions.* (1) In this Article unless the context otherwise requires

(a) "Account" means any account with a bank and includes a checking, time, interest or savings account;

(b) "Afternoon" means the period of a day between noon and midnight;

(c) "Banking day" means that part of any day on which a bank is open to the public for carrying on substantially all of its banking functions;

(d) "Clearing house" means any association of banks or other payors regularly clearing items;

(e) "Customer" means any person having an account with a bank or for whom a bank has agreed to collect items and includes a bank carrying an account with another bank;

(f) "Documentary draft" means any negotiable or non-negotiable draft with accompanying documents, securities or other papers to be delivered against honor of the draft;

(g) "Item" means any instrument for the payment of money even though it is not negotiable but does not include money;

(h) "Midnight deadline" with respect to a bank is midnight on its next banking day following the banking day on which it receives the relevant item or notice or from which the time for taking action commences to run, whichever is later;

(i) "Properly payable" includes the availability of funds for payment at the time of decision to pay or dishonor;

(j) "Settle" means to pay in cash, by clearing house settlement, in a charge or credit or by remittance, or otherwise as instructed. A settlement may be either provisional or final;

(k) "Suspends payments" with respect to a bank means that it has been closed by order of the supervisory authorities, that a public officer has been appointed to take it over or that it ceases or refuses to make payments in the ordinary course of business.

(2) Other definitions applying to this Article and the sections in which they appear are:

"Collecting bank"	Section 4—105.
"Depositary bank"	Section 4—105.
"Intermediary bank"	Section 4—105.
"Payor bank"	Section 4—105.
"Presenting bank"	Section 4—105.
"Remitting bank"	Section 4—105.

(3) The following definitions in other Articles apply to this Article:

"Acceptance"	Section 3—410.
"Certificate of deposit"	Section 3—104.
"Certification"	Section 3—411.
"Check"	Section 3—104.
"Draft"	Section 3—104.
"Holder in due course"	Section 3—302.
"Notice of dishonor"	Section 3—508.
"Presentment"	Section 3—504.
"Protest"	Section 3—509.
"Secondary party"	Section 3—102.

(4) In addition Article 1 contains general definitions and principles of construction and interpretation applicable throughout this Article.

Section 4—105. *"Depositary Bank"; "Intermediary Bank"; "Collecting Bank"; "Payor Bank"; "Presenting Bank"; "Remitting Bank."* In this Article unless the context otherwise requires:

(a) "Depositary bank" means the first bank to which an item is transferred for collection even though it is also the payor bank;

(b) "Payor bank" means a bank by which an item is payable as drawn or accepted;

(c) "Intermediary bank" means any bank to which an item is transferred in course of collection except the depositary or payor bank;

(d) "Collecting bank" means any bank handling the item for collection except the payor bank;
(e) "Presenting bank" means any bank presenting an item except a payor bank;
(f) "Remitting bank" means any payor or intermediary bank remitting for an item.

Section 4—106. *Separate Office of a Bank.* A branch or separate office of a bank maintaining its own deposit ledgers is a separate bank for the purpose of computing the time within which and the place at or to which action may be taken or notices or orders shall be given under this Article.

Section 4—107. *Time of Receipt of Items.* (1) For the purpose of allowing time to process items, prove balances and make the necessary entries on its books to determine its position for the day, a bank may fix an afternoon hour of two P.M. or later as a cut-off hour for the handling of money and items and the making of entries on its books.

(2) Any item or deposit of money received on any day after a cut-off hour so fixed or after the close of the banking day may be treated as being received at the opening of the next banking day.

Section 4—108. *Delays.* (1) Unless otherwise instructed, a collecting bank in a good faith effort to secure payment may, in the case of specific items and with or without the approval of any person involved, waive, modify or extend time limits imposed or permitted by this Act for a period not in excess of an additional banking day without discharge of secondary parties and without liability to its transferor or any prior party.

(2) Delay by a collecting bank or payor bank beyond time limits prescribed or permitted by this Act or by instructions is excused if caused by interruption of communication facilities, suspension of payments by another bank, war, emergency conditions or other circumstances beyond the control of the bank provided it exercises such diligence as the circumstances require.

Part 2. Collection of Items: Depositary and Collecting Banks

Section 4—201. *Presumption and Duration of Agency Status of Collecting Banks and Provisional Status of Credits; Applicability of Article; Item Indorsed "Pay Any Bank".* (1) Unless a contrary intent clearly appears and prior to the time that a settlement given by a collecting bank for an item is or becomes final (subsection (3) of Section 4—211 and Sections 4—212 and 4—213) the bank is an agent or sub-agent of the owner of the item and any settlement given for the item is provisional. This provision applies regardless of the form of indorsement or lack of indorsement and even though credit given for the item is subject to immediate withdrawal as of right or is in fact withdrawn; but the continuance of ownership of an item by its owner and any rights of the owner to proceeds of the item are subject to rights of a collecting bank such as those resulting from outstanding advances on the item and valid rights of setoff. When an item is handled by banks for the purposes of presentment, payment and collection, the relevant provisions of this Article apply even though action of parties clearly establishes that a particular bank has purchased the item and is the owner of it.

(2) After an item has been indorsed with the words "pay any bank" or the like, only a bank may acquire the rights of a holder

(a) until the item has been returned to the customer initiating collection; or

(b) until the item has been specially indorsed by a bank to a person who is not a bank.

Section 4—202. *Responsibility for Collection; When Action Seasonable.* (1) A collecting bank must use ordinary care in

(a) presenting an item or sending it for presentment; and

(b) sending notice of dishonor or non-payment or returning an item other than a documentary draft to the bank's transferor or directly to the depositary bank under subsection (2) of Section 4—212 after learning that the item has not been paid or accepted, as the case may be; and

(c) settling for an item when the bank receives final settlement; and

(d) making or providing for any necessary protest; and

(e) notifying its transferor of any loss or delay in transit within a reasonable time after discovery thereof.

(2) A collecting bank taking proper action before its midnight deadline following receipt of an item, notice or payment acts seasonably; taking proper action within a reasonably longer time may be seasonable but the bank has the burden of so establishing.

(3) Subject to subsection (1) (a), a bank is not liable for the insolvency, neglect, misconduct, mistake or default of another bank or person or for loss or destruction of an item in transit or in the possession of others.

Section 4—203. *Effect of Instructions.* Subject to the provisions of Article 3 concerning conversion of instruments (Section 3—419) and the provisions of both Article 3 and this Article concerning restrictive indorsements only a collecting bank's transferor can give instructions which affect the bank or constitute notice to it and a collecting bank is not liable to prior parties for any action taken pursuant to such instructions or in accordance with any agreement with its transferor.

Section 4—204. *Methods of Sending and Presenting; Sending Direct to Payor Bank.* (1) A collecting bank must send items by reasonably prompt method taking into consideration any relevant instructions, the nature of the item, the number of such items on hand, and the cost of collection involved and the method generally used by it or others to present such items.

(2) A collecting bank may send
  (a) any item direct to the payor bank;
  (b) any item to any non-bank payor if authorized by its transferor; and
  (c) any item other than documentary drafts to any non-bank payor, if authorized by Federal Reserve regulation or operating letter, clearing house rule or the like.

Section 4—205. *Supplying Missing Indorsement; No Notice From Prior Indorsement.* (1) A depositary bank which has taken an item for collection may supply any indorsement of the customer which is necessary to title unless the item contains the words "payee's indorsement required" or the like. In the absence of such a requirement a statement placed on the item by the depositary bank to the effect that the item was deposited by a customer or credited to his account is effective as the customer's indorsement.

(2) An intermediary bank, or payor bank which is not a depositary bank, is neither given notice nor otherwise affected by a restrictive indorsement of any person except the bank's immediate transferor.

Section 4—206. *Transfer Between Banks.* Any agreed method which identifies the transferor bank is sufficient for the item's further transfer to another bank.

Section 4—207. *Warranties of Customer and Collecting Bank on Transfer or Presentment of Items; Time for Claims.* (1) Each customer or collecting bank who obtains payment or acceptance of an item and each prior customer and collecting bank warrants to the payor bank or other payor who in good faith pays or accepts the item that
  (a) he has a good title to the item or is authorized to obtain payment or acceptance on behalf of one who has a good title; and
  (b) he has no knowledge that the signature of the maker or drawer is unauthorized, except that this warranty is not given by any customer or collecting bank that is a holder in due course and acts in good faith
    (i) to a maker with respect to the maker's own signature; or
    (ii) to a drawer with respect to the drawer's own signature, whether or not the drawer is also the drawee; or
    (iii) to an acceptor of an item if the holder in due course took the item after the acceptance or obtained the acceptance without knowledge that the drawer's signature was unauthorized; and

(c) the item has not been materially altered, except that this warranty is not given by any customer or collecting bank that is a holder in due course and acts in good faith
  (i) to the maker of a note; or
  (ii) to the drawer of a draft whether or not the drawer is also the drawee; or
  (iii) to the acceptor of an item with respect to an alteration made prior to the acceptance if the holder in due course took the item after the acceptance, even though the acceptance provided "payable as originally drawn" or equivalent terms; or
  (iv) to the acceptor of an item with respect to an alteration made after the acceptance.

(2) Each customer and collecting bank who transfers an item and receives a settlement or other consideration for it warrants to his transferee and to any subsequent collecting bank who takes the item in good faith that

(a) he has a good title to the item or is authorized to obtain payment or acceptance on behalf of one who has a good title and the transfer is otherwise rightful; and
(b) all signatures are genuine or authorized; and
(c) the item has not been materially altered; and
(d) no defense of any party is good against him; and
(e) he has no knowledge of any insolveny proceeding instituted with respect to the maker or acceptor or the drawer of an unaccepted item.

In addition each customer and collecting bank so transferring an item and receiving a settlement or other consideration engages that upon dishonor and any necessary notice of dishonor and protest he will take up the item.

(3) The warranties and the engagement to honor set forth in the two preceding subsections arise notwithstanding the absence of indorsement or words of guaranty or warranty in the transfer or presentment and a collecting bank remains liable for their breach despite remittance to its transferor. Damages for breach of such warranties or engagement to honor shall not exceed the consideration received by the customer or collecting bank responsible plus finance charges and expenses related to the item, if any.

(4) Unless a claim for breach of warranty under this section is made within a reasonable time after the person claiming learns of the breach, the person liable is discharged to the extent of any loss caused by the delay in making claim.

Section 4—208. *Security Interest of Collecting Bank in Items, Accompanying Documents and Proceeds.* (1) A bank has a security interest in an item and any accompanying documents or the proceeds of either

(a) in case of an item deposited in an account to the extent to which credit given for the item has been withdrawn or applied;
(b) in case of an item for which it has given credit available for withdrawal as of right, to the extent of the credit given whether or not the credit is drawn upon and whether or not there is a right of charge-back; or
(c) if it makes an advance on or against the item.

(2) When credit which has been given for several items received at one time or pursuant to a single agreement is withdrawn or applied in part the security interest remains upon all the items, any accompanying documents or the proceeds of either. For the purpose of this section, credits first given are first withdrawn.

(3) Receipt by a collecting bank of a final settlement for an item is a realization on its security interest in the item, accompanying documents and proceeds. To the extent and so long as the bank does not receive final settlement for the item or give up possession of the item or accompanying documents for purposes other than collection, the security interest continues and is subject to the provisions of Article 9 except that

(a) no security agreement is necessary to make the security interest enforceable (subsection (1)(b) of Section 9—203); and
(b) no filing is required to perfect the security interest; and
(c) the security interest has priority over conflicting perfected security interests in the item, accompanying documents or proceeds.

Section 4—209. *When Bank Gives Value for Purposes of Holder in Due Course.* For purposes of determining its status as a holder in due course, the bank has given value to the extent that it has a security interest in an item provided that the bank otherwise complies with the requirements of Section 3—302 on what constitutes a holder in due course.

Section 4—210. *Presentment by Notice of Item Not Payable by, Through or at a Bank; Liability of Secondary Parties.* (1) Unless otherwise instructed, a collecting bank may present an item not payable by, through or at a bank by sending to the party to accept or pay a written notice that the bank holds the item for acceptance or payment. The notice must be sent in time to be received on or before the day when presentment is due and the bank must meet any requirement of the party to accept or pay under Section 3—505 by the close of the bank's next banking day after it knows of the requirement.

(2) Where presentment is made by notice and neither honor nor request for compliance with a requirement under Section 3—505 is received by the close of business on the day after maturity or in the case of demand items by the close of business on the third banking

day after notice was sent, the presenting bank may treat the item as dishonored and charge any secondary party by sending him notice of the facts.

Section 4–211. *Media of Remittance; Provisional and Final Settlement in Remittance Cases.* (1) A collecting bank may take in settlement of an item

- (a) a check of the remitting bank or of another bank on any bank except the remitting bank; or
- (b) a cashier's check or similar primary obligation of a remitting bank which is a member of or clears through a member of the same clearing house or groups as the collecting bank; or
- (c) appropriate authority to charge an account of the remitting bank or of another bank with the collecting bank; or
- (d) if the item is drawn upon or payable by a person other than a bank, a cashier's check, certified check or other bank check or obligation.

(2) If before its midnight deadline the collecting bank properly dishonors a remittance check or authorization to charge on itself or presents or forwards for collection a remittance instrument of or on another bank which is of a kind approved by subsection (1) or has not been authorized by it, the collecting bank is not liable to prior parties in the event of the dishonor of such check, instrument or authorization.

(3) A settlement for an item by means of a remittance instrument or authorization to charge is or becomes a final settlement as to both the person making and the person receiving the settlement

- (a) if the remittance instrument or authorization to charge is of a kind approved by subsection (1) or has not been authorized by the person receiving the settlement and in either case the person receiving the settlement acts seasonably before its midnight deadline in presenting, forwarding for collection or paying the instrument or authorization,—at the time the remittance instrument or authorization is finally paid by the payor by which it is payable;
- (b) If the person receiving the settlement has authorized remittance by a non-bank check or obligation or by a cashier's check or similar primary obligation of or a check upon the payor or other remitting bank which is not of a kind approved by subsection (1)(b),—at the time of the receipt of such remittance check or obligation; or
- (c) if in a case not covered by sub-paragraphs (a) or (b) the person receiving the settlement fails to seasonably present, forward for collection, pay or return a remittance in-

strument or authorization to it to charge before its midnight deadline,—at such midnight deadline.

Section 4—212. *Right of Charge-Back or Refund.* (1) If a collecting bank has made provisional settlement with its customer for an item and itself fails by reason of dishonor, suspension of payments by a bank or otherwise to receive a settlement for the item which is or becomes final, the bank may revoke the settlement given by it, charge-back the amount of any credit given for the item to its customer's account or obtain refund from its customer whether or not it is able to return the items if by its midnight deadline or within a longer reasonable time after it learns the facts it returns the item or sends notification of the facts. These rights to revoke, charge-back and obtain refund terminate if and when a settlement for the item received by the bank is or becomes final (subsection (3) of Section 4—211 and subsections (2) and (3) of Section 4—213).

(2) Within the time and manner prescribed by this section and Section 4—301, an intermediary or payor bank, as the case may be, may return an unpaid item directly to the depositary bank and may send for collection a draft on the depositary bank and obtain reimbursement. In such case, if the depositary bank has received provisional settlement for the item, it must reimburse the bank drawing the draft and any provisional credits for the item between banks shall become and remain final.

(3) A depositary bank which is also the payor may charge-back the amount of an item to its customer's account or obtain refund in accordance with the section governing return of an item received by a payor bank for credit on its books (Section 4—301).

(4) The right to charge-back is not affected by

(a) prior use of the credit given for the item; or

(b) failure by any bank to exercise ordinary care with respect to the item but any bank so failing remains liable.

(5) A failure to charge-back or claim refund does not affect other rights of the bank against the customer or any other party.

(6) If credit is given in dollars as the equivalent of the value of an item payable in a foreign currency the dollar amount of any charge-back or refund shall be calculated on the basis of the buying sight rate for the foreign currency prevailing on the day when the person entitled to the charge-back or refund learns that it will not receive payment in ordinary course.

Section 4—213. *Final Payment of Item by Payor Bank; When Provisional Debits and Credits Become Final; When Certain Credits Become Available for Withdrawal.* (1) An item is finally paid by a payor bank when the bank has done any of the following, whichever happens first:

(a) paid the item in cash; or

(b) settled for the item without reserving a right to revoke the settlement and without having such right under statute, clearing house rule or agreement; or
(c) completed the process of posting the item to the indicated account of the drawer, maker or other person to be charged therewith; or
(d) made a provisional settlement for the item and failed to revoke the settlement in the time and manner permitted by statute, clearing house rule or agreement.

Upon a final payment under subparagraphs (b), (c) or (d) the payor bank shall be accountable for the amount of the item.

(2) If provisional settlement for an item between the presenting and payor banks is made through a clearing house or by debits or credits in an account between them, then to the extent that provisional debits or credits for the item are entered in accounts between the presenting and payor banks or between the presenting and successive prior collecting banks seriatim, they become final upon final payment of the item by the payor bank.

(3) If a collecting bank receives a settlement for an item which is or becomes final (subsection (3) of Section 4–211, subsection (2) of Section 4–213) the bank is accountable to its customer for the amount of the item and any provisional credit given for the item in an account with its customer becomes final.

(4) Subject to any right of the bank to apply the credit to an obligation of the customer, credit given by a bank for an item in an account with its customer becomes available for withdrawal as of right
(a) in any case where the bank has received a provisional settlement for the item,—when such settlement becomes final and the bank has had a reasonable time to learn that the settlement is final;
(b) in any case where the bank is both a depositary bank and a payor bank and the item is finally paid,—at the opening of the bank's second banking day following receipt of the item.

(5) A deposit of money in a bank is final when made but, subject to any right of the bank to apply the deposit to an obligation of the customer, the deposit becomes available for withdrawal as of right at the opening of the bank's next banking day following receipt of the deposit.

Section 4–214. *Insolvency and Preference.* (1) Any item in or coming into the possession of a payor or collecting bank which suspends payment and which item is not finally paid shall be returned by the receiver, trustee or agent in charge of the closed bank to the presenting bank or the closed bank's customer.

(2) If a payor bank finally pays an item and suspends payments without making a settlement for the item with its customer or the

presenting bank which settlement is or becomes final, the owner of the item has a preferred claim against the payor bank.

(3) If a payor bank gives or a collecting bank gives or receives a provisional settlement for an item and thereafter suspends payments, the suspension does not prevent or interfere with the settlement becoming final if such finality occurs automatically upon the lapse of certain time or the happening of certain events (subsection (3) of Section 4—211, subsections (1) (d), (2) and (3) of Section 4—213).

(4) If a collecting bank receives from subsequent parties settlement for an item which settlement is or becomes final and suspends payments without making a settlement for the item with its customer which is or becomes final, the owner of the item has a preferred claim against such collecting bank.

Part 3. Collection of Items: Payor Banks

Section 4—301. *Deferred Posting; Recovery of Payment by Return of Items; Time of Dishonor.* (1) Where an authorized settlement for a demand item (other than a documentary draft) received by a payor bank otherwise than for immediate payment over the counter has been made before midnight of the banking day of receipt the payor bank may revoke the settlement and recover any payment if before it has made final payment (subsection (1) of Section 4—213) and before its midnight deadline it

(a) returns the item; or

(b) sends written notice of dishonor or nonpayment if the item is held for protest or is otherwise unavailable for return.

(2) If a demand item is received by a payor bank for credit on its books it may return such item or send notice of dishonor and may revoke any credit given or recover the amount thereof withdrawn by its customer, if it acts within the time limit and in the manner specified in the preceding subsection.

(3) Unless previous notice of dishonor has been sent an item is dishonored at the time when for purposes of dishonor it is returned or notice sent in accordance with this section.

(4) An item is returned:

(a) As to an item received through a clearing house, when it is delivered to the presenting or last collecting bank or to the clearing house or is sent or delivered in accordance with its rules; or

(b) In all other cases, when it is sent or delivered to the bank's customer or transferor or pursuant to his instructions.

Section 4—302. *Payor Bank's Responsiblity for Late Return of Item.* In the absence of a valid defense such as breach of a presentment warranty (subsection (1) of Section 4—207), settlement effected or the like, if an item is presented on and received by a payor bank the bank is accountable for the amount of

(a) a demand item other than a documentary draft whether properly payable or not if the bank, in any case where it is not also the depositary bank, retains the item beyond midnight of the banking day of receipt without settling for it or, regardless of whether it is also the depositary bank, does not pay or return the item or send notice of dishonor until after its midnight deadline; or

(b) any other properly payable item unless within the time allowed for acceptance or payment of that item the bank either accepts or pays the item or returns it and accompanying documents.

Section 4—303. *When Items Subject to Notice, Stop-Order, Legal Process or Setoff; Order in Which Items May Be Charged or Certified.* (1) Any knowledge, notice or stop-order received by, legal process served upon or setoff exercised by a payor bank, whether or not effective under other rules of law to terminate, suspend or modify the bank's right or duty to pay an item or to charge its customer's account for the item, comes too late to so terminate, suspend or modify such right or duty if the knowledge, notice, stop-order or legal process is received or served and a reasonable time for the bank to act thereon expires or the setoff is exercised after the bank has done any of the following:

(a) accepted or certified the item;

(b) paid the item in cash;

(c) settled for the item without reserving a right to revoke the settlement and without having such right under statute, clearing house rule or agreement;

(d) completed the process of posting the item to the indicated account of the drawer, maker or other person to be charged therewith or otherwise has evidenced by examination of such indicated account and by action its decision to pay the item; or

(e) become accountable for the amount of the item under subsection (1) (d) of Section 4—213 and Section 4—302 dealing with the payor bank's responsibility for late return of items.

(2) Subject to the provisions of subsection (1) items may be accepted, paid, certified or charged to the indicated account of its customer in any order convenient to the bank.

Part 4. Relationship Between Payor Bank And Its Customer

Section 4—401. *When Bank May Charge Customer's Account.* (1) As against its customer, a bank may charge against his account any item which is otherwise properly payable from that account even though the charge creates an overdraft.

(2) A bank which in good faith makes payment to a holder may charge the indicated account of its customer according to

(a) the orignal tenor of his altered item; or

(b) the tenor of his completed item, even though the bank knows the item has been completed unless the bank has notice that the completion was improper.

Section 4—402. *Bank's Liability to Customer for Wrongful Dishonor.* A payor bank is liable to its customers for damages proximately caused by the wrongful dishonor of an item. When the dishonor occurs through mistake liability is limited to actual damages proved. If so proximately caused and proved damages may include damages for an arrest or prosecution of the customer or other consequential damages. Whether any consequential damages are proximately caused by the wrongful dishonor is a question of fact to be determined in each case.

Section 4—403. *Customer's Right to Stop Payment; Burden of Proof of Loss.* (1) A customer may by order to his bank stop payment of any item payable for his account but the order must be received at such time and in such manner as to afford the bank a reasonable opportunity to act on it prior to any action by the bank with respect to the item described in Section 4—303.

(2) An oral order is binding upon the bank only for fourteen calendar days unless confirmed in writing within that period. A written order is effective for only six months unless renewed in writing.

(3) The burden of establishing the fact and amount of loss resulting from the payment of an item contrary to a binding stop payment order is on the customer.

Section 4—404. *Bank Not Obligated to Pay Check More Than Six Months Old.* A bank is under no obligation to a customer having a checking account to pay a check, other than a certified check, which is presented more than six months after its date, but it may charge its customer's account for a payment made thereafter in good faith.

Section 4—405. *Death or Incompetence of Customer.* (1) A payor or collecting bank's authority to accept, pay or collect an item or to account for proceeds of its collection if otherwise effective is not rendered ineffective by incompetence of a customer of either bank existing at the time the item is issued or its collection is undertaken if the bank does not know of an adjudication of incompetence. Neither death nor incompetence of a customer revokes such authority to accept, pay, collect or account until the bank knows of the fact of death or of an adjudication of incompetence and has reasonable opportunity to act on it.

(2) Even with knowledge a bank may for ten days after the date of death pay or certify checks drawn on or prior to that date unless ordered to stop payment by a person claiming an interest in the account.

Section 4—406. *Customer's Duty to Discover and Report Unauthorized Signature or Alteration.* (1) When a bank sends to its customer a statement of account accompanied by items paid in good faith in support of the debit entries or holds the statement and items pursuant to a request or instruction of its customer or otherwise in a reasonable manner makes the statement and items available to the customer, the customer must exercise reasonable care and promptness to examine the statement and items to discover his unauthorized signature or any alteration on an item and must notify the bank promptly after discovery thereof.

(2) If the bank establishes that the customer failed with respect to an item to comply with the duties imposed on the customer by subsection (1) the customer is precluded from asserting against the bank

(a) his unauthorized signature or any alteration on the item if the bank also establishes that it suffered a loss by reason of such failure; and

(b) An unauthorized signature or alteration by the same wrongdoer on any other item paid in good faith by the bank after the first item and statement was available to the customer for a reasonable period not exceeding fourteen calendar days and before the bank receives notification from the customer of any such unauthorized signature or alteration.

(3) The preclusion under subsection (2) does not apply if the customer establishes lack of ordinary care on the part of the bank in paying the item(*s*).

(4) Without regard to care or lack of care of either the customer or the bank a customer who does not within one year from the time the statement and items are made available to the customer (subsection (1)) discover and report his unauthorized signature or any alteration on the face or back of the item or does not within three years from that time discover and report any unauthorized indorsement is precluded from asserting against the bank such unauthorized signature or indorsement or such alteration.

(5) If under this section a payor bank has a valid defense against a claim of a customer upon or resulting from payment of an item and waives or fails upon request to assert the defense the bank may not assert against any collecting bank or other prior party presenting or transferring the item a claim based upon the unauthorized signature or alteration giving rise to the customer's claim.

Section 4—407. *Payor Bank's Right to Subrogation on Improper Payment.* If a payor bank has paid an item over the stop payment order of the drawer or maker or otherwise under circumstances giving a basis for objection by the drawer or maker, to prevent unjust enrichment and only to the extent necessary to prevent loss to the bank by reason of its payment of the item, the payor bank shall be subrogated to the rights

(a) of any holder in due course on the item against the drawer or maker; and

(b) of the payee or any other holder of the item against the drawer or maker either on the item or under the transaction out of which the item arose; and

(c) of the drawer or maker against the payee or any other holder of the item with respect to the transaction out of which the item arose.

Part 5. Collection of Documentary Drafts

Section 4—501. *Handling of Documentary Drafts; Duty to Send for Presentment and to Notify Customer of Dishonor.* A bank which takes a documentary draft for collection must present or send the draft and accompanying documents for presentment and upon learning that the draft has not been paid or accepted in due course must seasonably notify its customer of such fact even though it may have discounted or bought the draft or extended credit available for withdrawal as of right.

Section 4—502. *Presentment of "On Arrival" Drafts.* When a draft or the relevant instructions require presentment "on arrival", "when goods arrive" or the like, the collecting bank need not present until in its judgment a reasonable time for arrival of the goods has expired. Refusal to pay or accept because the goods have not arrived is not dishonor; the bank must notify its transferor of such refusal but need not present the draft again until it is instructed to do so or learns of the arrival of the goods.

Section 4—503. *Responsibility of Presenting Bank for Documents and Goods; Report of Reasons for Dishonor; Referee in Case of Need.* Unless otherwise instructed and except as provided in Article 5 a bank presenting a documentary draft

(a) must deliver the documents to the drawee on acceptance of the draft if it is payable more than three days after presentment; otherwise, only on payment; and

(b) upon dishonor, either in the case of presentment for acceptance or presentment for payment, may seek and follow instructions from any referee in case of need designated in the draft or if the presenting bank does not choose to utilize his services it must use diligence and good faith to ascertain the reason for dishonor, must notify its transferor of the dishonor and of the results of its efforts to ascertain the reasons therefor and must request instructions.

But the presenting bank is under no obligation with respect to goods represented by the documents except to follow any reasonable instructions seasonably received; it has a right to reimbursement for any expense incurred in following instructions and to prepayment of or indemnity for such expenses.

Section 4–504. *Privilege of Presenting Bank to Deal With Goods; Security Interest for Expenses.* (1) A presenting bank which, following the dishonor of a documentary draft, has seasonably requested instructions but does not receive them within a reasonable time may store, sell, or otherwise deal with the goods in any reasonable manner.

(2) For its reasonable expenses incurred by action under subsection (1) the presenting bank has a lien upon the goods or their proceeds, which may be foreclosed in the same manner as an unpaid seller's lien.

ARTICLE 5. LETTERS OF CREDIT

Section 5–101. *Short Title.* This Article shall be known and may be cited as Uniform Commercial Code–Letters of Credit.

Section 5–102. *Scope.* (1) This Article applies

(a) to a credit issued by a bank if the credit requires a documentary draft or a documentary demand for payment; and

(b) to a credit issued by a person other than a bank if the credit requires that the draft or demand for payment be accompanied by a document of title; and

(c) to a credit issued by a bank or other person if the credit is not within subparagraphs (a) or (b) but conspicuously states that it is a letter of credit or is conspicuously so entitled.

(2) Unless the engagement meets the requirements of subsection (1), this Article does not apply to engagements to make advances or to honor drafts or demands for payment, to authorities to pay or purchase, to guarantees or to general agreements.

(3) This Article deals with some but not all of the rules and concepts of letters of credit as such rules or concepts have developed prior to this act or may hereafter develop. The fact that this Article states a rule does not by itself require, imply or negate application of the same or a converse rule to a situation not provided for or to a person not specified by this Article.

Section 5—103. *Definitions.* (1) In this Article unless the context otherwise requires

(a) "Credit" or "letter of credit" means an engagement by a bank or other person made at the request of a customer and of a kind within the scope of this Article (Section 5—102) that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the credit. A credit may be either revocable or irrevocable. The engagement may be either an agreement to honor or a statement that the bank or other person is authorized to honor.

(b) A "documentary draft" or a "documentary demand for payment" is one honor of which is conditioned upon the presentation of a document or documents. "Document" means any paper including document of title, security, invoice, certificate, notice of default and the like.

(c) An "issuer" is a bank or other person issuing a credit.

(d) A "beneficiary" of a credit is a person who is entitled under its terms to draw or demand payment.

(e) An "advising bank" is a bank which gives notification of the issuance of a credit by another bank.

(f) A "confirming bank" is a bank which engages either that it will itself honor a credit already issued by another bank or that such a credit will be honored by the issuer or a third bank.

(g) A "customer" is a buyer or other person who causes an issuer to issue a credit. The term also includes a bank which procures issuance or confirmation on behalf of that bank's customer.

(2) Other definitions applying to this Article and the sections in which they appear are:

"Notation of Credit".	Section 5—108.
"Presenter".	Section 5—112(3).

(3) Definitions in other Articles applying to this Article and the sections in which they appear are:

"Accept" or "Acceptance".	Section 3—410.
"Contract for sale".	Section 2—106.
"Draft".	Section 3—104.
"Holder in due course".	Section 3—302.
"Midnight deadline".	Section 4—104.
"Security".	Section 8—102.

(4) In addition, Article 1 contains general definitions and principles of construction and interpretation applicable throughout this Article.

Section 5—104. *Formal Requirements; Signing.* (1) Except as otherwise required in subsection (1)(c) of Section 5—102 on scope, no particular form of phrasing is required for a credit. A credit must be in writing and signed by the issuer and a confirmation must be in writing and signed by the confirming bank. A modification of the terms of a credit or confirmation must be signed by the issuer or confirming bank.

(2) A telegram may be a sufficient signed writing if it identifies its sender by an authorized authentication. The authentication may be in code and the authorized naming of the issuer in an advice of credit is a sufficient signing.

Section 5—105. *Consideration.* No consideration is necessary to establish a credit or to enlarge or otherwise modify its terms.

Section 5—106. *Time and Effect of Establishment of Credit.*

(1) Unless otherwise agreed a credit is established

- (a) as regards the customer as soon as a letter of credit is sent to him or the letter of credit or an authorized written advice of its issuance is sent to the beneficiary; and
- (b) As regards the beneficiary when he receives a letter of credit or an authorized written advice of its issuance.

(2) Unless otherwise agreed once an irrevocable credit is established as regards the customer it can be modifed or revoked only with the consent of the customer and once it is established as regards the beneficiary it can be modified or revoked only with his consent.

(3) Unless otherwise agreed after a revocable credit is established it may be modified or revoked by the issuer without notice to or consent from the customer or beneficiary.

(4) Notwithstanding any modification or revocation of a revocable credit any person authorized to honor or negotiate under the terms of the original credit is entitled to reimbursement for or honor of any draft or demand for payment duly honored or negotiated before receipt of notice of the modification or revocation and the issuer in turn is entitled to reimbursement from its customer.

Section 5—107. *Advice of Credit; Confirmation; Error in Statement of Terms.* (1) Unless other specified an advising bank by advising a credit issued by another bank does not assume any obligation to honor drafts drawn or demands for payment made under the credit but it does assume obligation for the accuracy of its own statement.

(2) A confirming bank by confirming a credit becomes directly obligated on the credit to the extent of its confirmation as though it were its issuer and acquires the rights of an issuer.

(3) Even though an advising bank incorrectly advises the terms of a credit it has been authorized to advise the credit is established as against the issuer to the extent of its original terms.

(4) Unless otherwise specified the customer bears as against the issuer all risks of transmission and reasonable translation or interpretation of any message relating to a credit.

Section 5—108. *"Notation Credit"; Exhaustion of Credit.* (1) A credit which specifies that any person purchasing or paying drafts drawn or demands for payment made under it must note the amount of the draft or demand on the letter or advice of credit is a "notation of credit."

(2) Under a notation credit
  (a) a person paying the beneficiary or purchasing a draft or demand for payment from him acquires a right to honor only if the appropriate notation is made and by transferring or forwarding for honor the documents under the credit such a person warrants to the issuer that the notation has been made; and
  (b) unless the credit or a signed statement that an appropriate notation has been made accompanies the draft or demand for payment the issuer may delay honor until evidence of notation has been procured which is satisfactory to it but its obligation and that of its customer continue for a reasonable time not exceeding thirty days to obtain such evidence.

(3) If the credit is not a notation credit
  (a) the issuer may honor complying drafts or demands for payment presented to it in the order in which they are presented and is discharged pro tanto by honor of any such draft or demand;
  (b) as between competing good faith purchasers of complying drafts or demands the person first purchasing has priority over a subsequent purchaser even though the later purchased draft or demand has been first honored.

Section 5—109. *Issuer's Obligation to Its Customer.* (1) An issuer's obligation to its customer includes good faith and observance of any general banking usage but unless otherwise agreed does not include liability or responsibility
  (a) for performance of the underlying contract for sale or other transaction between the customer and the beneficiary; or
  (b) for any act or omission of any person other than itself or its own branch or for loss or destruction of a draft, demand or document in transit or in the possession of others; or
  (c) based on knowledge or lack of knowledge of any usage of any particular trade.

(2) An issuer must examine documents with care so as to ascertain that on their face they appear to comply with the terms of

the credit but unless otherwise agreed assumes no liability or responsibility for the genuineness, falsification or effect of any document which appears on such examinaton to be regular on its face.

(3) A non-bank issuer is not bound by any banking usage of which it has no knowledge.

Section 5—110. *Availability of Credit in Portions; Presenter's Reservation of Lien or Claim.* (1) Unless otherwise specified a credit may be used in portions in the discretion of the beneficiary.

(2) Unless otherwise specified a person by presenting a documentary draft or demand for payment under a credit relinquishes upon its honor all claims to the documents and a person by transferring such draft or demand or causing such presentment authorizes such relinquishment. An explicit reservation of claim makes the draft or demand non-complying.

Section 5—111. *Warranties on Transfer and Presentment.* (1) unless otherwise agreed the beneficiary by transferring or presenting a documentary draft or demand for payment warrants to all interested parties that the necessary conditions of the credit have been complied with. This is in addition to any warranties arising under Articles 3, 4, 7 and 8.

(2) Unless otherwise agreed a negotiating, advising, confirming, collecting or issuing bank presenting or transferring a draft or demand for payment under a credit warrants only the matters warranted by a collecting bank under Article 4 and any such bank transferring a document warrants only the matters warranted by an intermediary under Articles 7 and 8.

Section 5—112. *Time Allowed for Honor or Rejection; Withholding Honor or Rejection by Consent; "Presenter".* (1) A bank to which a documentary draft or demand for payment is presented under a credit may without dishonor of the draft, demand or credit

(a) defer honor until the close of the third banking day following receipt of the documents; and

(b) further defer honor if the presenter has expressly or impliedly consented thereto.

Failure to honor within the time here specified constitutes dishonor of the draft or demand and of the credit.

(2) Upon dishonor the bank may unless otherwise instructed fulfill its duty to return the draft or demand and the documents by holding them at the disposal of the presenter and sending him an advice to that effect.

(3) "Presenter" means any person presenting a draft or demand for payment for honor under a credit even though that person is a confirming bank or other correspondent which is acting under an issuer's authorization.

Section 5—113. *Indemnities.* (1) A bank seeking to obtain (whether for itself or another) honor, negotiation or reimbursement under a credit may give an indemnity to induce such honor, negotiation or reimbursement.

(2) An indemnity agreement inducing honor, negotiation or reimbursement

(a) unless otherwise explicitly agreed applies to defects in the documents but not in the goods; and

(b) unless a longer time is explicitly agreed expires at the end of ten business days following receipt of the documents by the ultimate customer unless notice of objection is sent before such expiration date. The ultimate customer may send notice of objection to the person from whom he received the documents and any bank receiving such notice is under a duty to send notice to its transferor before its midnight deadline.

Section 5—114. *Issuer's Duty and Privilege to Honor; Right to Reimbursement.* (1) An issuer must honor a draft or demand for payment which complies with the terms of the relevant credit regardless of whether the goods or documents conform to the underlying contract for sale or other contract between the customer and the beneficiary. The issuer is not excused from honor of such a draft or demand by reason of an additional general term that all documents must be satisfactory to the issuer, but an issuer may require that specified documents must be satisfactory to it.

(2) Unless otherwise agreed when documents appear on their face to comply with the terms of a credit but a required document does not in fact conform to the warranties made on negotiation or transfer of a document of title (Section 7—507) or of a security (Section 8—306) or is forged or fraudulent or there is fraud in the transaction

(a) the issuer must honor the draft or demand for payment if honor is demanded by a negotiating bank or other holder of the draft or demand which has taken the draft or demand under the credit and under circumstances which would make it a holder in due course (Section 3—302) and in an appropriate case would make it a person to whom a document of title has been duly negotiated (Section 7—502) or a bona fide purchaser of a security (Section 8—302); and

(b) in all other cases as against its customer, an issuer acting in good faith may honor the draft or demand for payment despite notification from the customer of fraud, forgery or other defect not apparent on the face of the documents but a court of appropriate jurisdiction may enjoin such honor.

(3) Unless otherwise agreed an issuer which has duly honored a draft or demand for payment is entitled to immediate reimbursement of any payment made under the credit and to be put in effectively available funds not later than the day before maturity of any acceptance made under the credit.

Section 5—115. *Remedy for Improper Dishonor or Anticipatory Repudiation.* (1) When an issuer wrongfully dishonors a draft or demand for payment presented under a credit the person entitled to honor has with respect to any documents the rights of a person in the position of a seller (Section 2—707) and may recover from the issuer the face amount of the draft or demand together with incidental damages under Section 2—710 on seller's incidental damages and interest but less any amount realized by resale or other use or disposition of the subject matter of the transaction. In the event no resale or other utilization is made the documents, goods or other subject matter involved in the transaction must be turned over to the issuer on payment of judgment.

(2) When an issuer wrongfully cancels or otherwise repudiates a credit before presentment of a draft or demand for payment drawn under it the beneficiary has the rights of a seller after anticipatory repudiation by the buyer under Section 2—610 if he learns of the repudiation in time reasonably to avoid procurement of the required documents. Otherwise the beneficiary has an immediate right of action for wrongful dishonor.

Section 5—116. *Transfer and Assignment.* (1) The right to draw under a credit can be transferred or assigned only when the credit is expressly designated as transferable or assignable.

(2) Even though the credit specifically states that it is nontransferable or nonassignable the beneficiary may before performance of the conditions of the credit assign his right to proceeds. Such an assignment is an assignment of a contract right under Article 9 on Secured Transactions and is governed by that Article except that

(a) the assignment is ineffective until the letter of credit or advice of credit is delivered to the assignee which delivery constitutes perfection of the security interest under Article 9; and

(b) the issuer may honor drafts or demands for payment drawn under the credit until it receives a notification of the assignment signed by the beneficiary which reasonably identifies the credit involved in the assignment and contains a request to pay the assignee; and

(c) after what reasonably appears to be such a notification has been received the issuer may without dishonor refuse to accept or pay even to a person otherwise entitled to honor until the letter of credit or advice of credit is exhibited to the issuer.

(3) Except where the beneficiary has effectively assigned his right to draw or his right to proceeds, nothing in this section limits his right to transfer or negotiate drafts or demands drawn under the credit.

Section 5–117. *Insolvency of Bank Holding Funds for Documentary Credit.* (1) Where an issuer or an advising or confirming bank or a bank which has for a customer procured issuance of a credit by another bank becomes insolvent before final payment under the credit and the credit is one to which this Article is made applicable by paragraphs (a) or (b) of Section 5–102(1) on scope, the receipt or allocation of funds or collateral to secure or meet obligations under the credit shall have the following results:

(a) to the extent of any funds or collateral turned over after or before the insolvency as indemnity against or specifically for the purpose of payment of drafts or demands for payment drawn under the designated credit, the drafts or demands are entitled to payment in preference over depositors or other general creditors of the issuer or bank; and

(b) on expiration of the credit or surrender of the beneficiary's rights under it unused any person who has given such funds or collateral is similarly entitled to return thereof; and

(c) a charge to a general or current account with a bank if specifically consented to for the purpose of indemnity against or payment of drafts or demands for payment drawn under the designated credit falls under the same rules as if the funds had been drawn out in cash and then turned over with specific instructions.

(2) After honor or reimbursement under this section the customer or other person for whose account the insolvent bank has acted is entitled to receive the documents involved.

ARTICLE 6. BULK TRANSFERS

Section 6–101. *Short Title.* This Article shall be known and may be cited as Uniform Commercial Code–Bulk Transfers.

Section 6–102. *"Bulk Transfer"; Transfers of Equipment; Enterprises Subject to This Article; Bulk Transfers Subject to This Article.* (1) A "bulk transfer" is any transfer in bulk and not in the ordinary course of the transferor's business of a major part of the materials, supplies, merchandise or other inventory (Section 9–109) of an enterprise subject to this Article.

(2) A transfer of a substantial part of the equipment (Section 9–109) of such an enterprise is a bulk transfer if it is made in connection with a bulk transfer of inventory, but not otherwise.

(3) The enterprises subject to this Article are all those whose principal business is the sale of merchandise from stock, including those who manufacture what they sell.

(4) Except as limited by the following section all bulk transfers of goods located within this state are subject to this Article.

Section 6—103. *Transfers Excepted From This Article.* The following transfers are not subject to this Article:

(1) Those made to give security for the performance of an obligation;

(2) General assignments for the benefit of all the creditors of the transferor, and subsequent transfers by the assignee thereunder;

(3) Transfers in settlement or realization of a lien or other security interests;

(4) Sales by executors, administrators, receivers, trustees in bankruptcy, or any public offer under judicial process;

(5) Sales made in the course of judicial or administrative proceedings for the dissolution or reorganization of a corporation and of which notice is sent to the creditors of the corporation pursuant to order of the court or administrative agency;

(6) Transfers to a person maintaining a known place of business in this State who becomes bound to pay the debts of the transferor in full and gives public notice of that fact, and who is solvent after becoming so bound;

(7) A transfer to a new business enterprise organized to take over and continue the business, if public notice of the transaction is given and the new enterprise assumes the debts of the transferor and he receives nothing from the transaction except an interest in the new enterprise junior to the claims of creditors;

(8) Transfers of property which is exempt from execution.

Section 6—104. *Schedule of Property, List of Creditors.* (1) Except as provided with respect to auction sales (Section 6—108), a bulk transfer subject to this Article is ineffective against any creditor of the transferor unless:

(a) The transferee requires the transferor to furnish a list of his existing creditors prepared as stated in this section; and

(b) The parties prepare a schedule of the property transferred sufficient to identify it; and

(c) The transferee preserves the list and schedule for six months next following the transfer and permits inspection of either or both and copying therefrom at all reasonable hours by any creditor of the transferor, or files the list and schedule in the office of the county court clerk.

(2) The list of creditors must be signed and sworn to or affirmed by the transferor or his agent. It must contain the names and business addresses of all creditors of the transferor, with the amounts when

known, and also the names of all persons who are known to the transferor to assert claims against him even though such claims are disputed.

(3) Responsibility for the completeness and accuracy of the list of creditors rests on the transferor, and the transfer is not rendered ineffective by errors or omissions therein unless the transferee is shown to have had knowledge.

Section 6—105. *Notice to Creditors.* In addition to the requirements of the preceding section, any bulk transfer subject to this Article except one made by auction sale (Section 6—108) is ineffective against any creditor of the transferor unless at least ten days before he takes possession of the goods or pays for them, whichever happens first, the transferee gives notice of the transfer in the manner and to the persons hereafter provided (Section 6—107).

Section 6—106. *Application of the Proceeds.* In addition to the requirements of the two preceding sections:

(1) Upon every bulk transfer subject to this Article for which new consideration becomes payable except those made by sale at auction it is the duty of the transferee to assure that such consideration is applied so far as necessary to pay those debts of the transferor which are either shown on the list furnished by the transferor (Section 6—104) or filed in writing in the place stated in the notice (Section 6—107) within thirty days after the mailing of such notice. This duty of the transferee runs to all the holders of such debts, and may be enforced by any of them for the benefit of all.

(2) If any of said debts are in dispute the necessary sum may be withheld from distribution until the dispute is settled or adjudicated.

(3) If the consideration payable is not enough to pay all of the said debts in full distribution shall be made pro rata.

Section 6—107. *The Notice.* (1) The notice to creditors (Section 6—105) shall state:

(a) That a bulk transfer is about to be made; and

(b) The names and business addresses of the transferor and transferee, and all other business names and addresses used by the transferor within three years last past so far as known to the transferee; and

(c) whether or not all the debts of the transferor are to be paid in full as they fall due as a result of the transaction, and if so, the address to which creditors should send their bills.

(2) If the debts of the transferor are not to be paid in full as they fall due or if the transferee is in doubt on that point then the notice shall state further:

(a) the location and general description of the property to be transferred and the estimated total of the transferor's debts;
(b) the address where the schedule of property and list of creditors (Section 6—104) may be inspected;
(c) whether the transfer is to pay existing debts and if so the amount of such debts and to whom owing;
(d) whether the transfer is for new consideration and if so the amount of such consideration and the time and place of payment; and
(e) if for new consideration the time and place where creditors of the transferor are to file their claims.

(3) The notice in any case shall be delivered personally or sent by registered mail to all the persons shown on the list of creditors furnished by the transferor (Section 6—104) and to all other persons who are known to the transferee to hold or assert claims against the transferor.

Section 6—108. *Auction Sales; "Auctioneer".* (1) A bulk transfer is subject to this Article even though it is by sale at auction, but only in the manner and with the results stated in this section.

(2) The transferor shall furnish a list of his creditors and assist in the preparation of a schedule of the property to be sold, both prepared as before stated (Section 6—104).

(3) The person or persons other than the transferor who direct, control or are responsible for the auction are collectively called the "auctioneer". The auctioneer shall:

(a) receive and retain the list of creditors and prepare and retain the schedule of property for the period stated in this Article (Section 6—104);
(b) give notice of the auction personally or by registered mail at least ten days before it occurs to all persons shown on the list of creditors and to all other persons who are known to him to hold or assert claims against the transferor; and
(c) assure that the net proceeds of the auction are applied as provided in this Article (Section 6—106).

(4) Failure of the auctioneer to perform any of these duties does not affect the validity of the sale or the title of the purchasers, but if the auctioneer knows that the auction constitutes a bulk transfer such failure renders the auctioneer liable to the creditors of the transferor as a class for the sums owing to them from the transferor up to but not exceeding the net proceeds of the auction. If the auctioneer consists of several persons their liability is joint and several.

Section 6—109. *What Creditors Protected.* (1) The creditors of the transferor mentioned in this Article are those holding claims based on transactions or events occurring before the bulk transfer, but creditors who become such after notice to creditors is given (Sections 6–105 and 6–107) are not entitled to notice.

(2) Against the aggregate obligation imposed by the provisions of this Article concerning the application of the proceeds (Section 6–106 and subsection (3)(c) of 6–108) the transferee or auctioneer is entitled to credit for sums paid to particular creditors of the transferor, not exceeding the sums believed in good faith at the time of the payment to be properly payable to such creditors.

Section 6–110. *Subsequent Transfers.* When the title of a transferee to property is subject to a defect by reason of his non-compliance with the requirements of this Article, then:

(1) a purchaser of any of such property from such transferee who pays no value or who takes with notice of such non-compliance takes subject to such defect, but

(2) a purchaser for value in good faith and without such notice takes free of such defect.

Section 6–111. *Limitation of Actions and Levies.* No action under this Article shall be brought nor levy made more than six months after the date on which the transferee took possession of the goods unless the transfer has been concealed. If the transfer has been concealed, actions may be brought or levies made within six months after its discovery.

ARTICLE 7. WAREHOUSE RECEIPTS, BILLS OF LADING AND OTHER DOCUMENTS OF TITLE

Part 1. General

Section 7–101. *Short Title.* This Article shall be known and may be cited as Uniform Commercial Code–Documents of Title.

Section 7–102. *Definitions and Index of Definitions.* (1) In this Article, unless the context otherwise requires:

(a) "Bailee" means the person who by a warehouse receipt, bill of lading or other document of title acknowledges possession of goods and contracts to deliver them.

(b) "Consignee" means the person named in a bill to whom or to whose order the bill promises delivery.

(c) "Consignor" means the person named in a bill as the person from whom the goods have been received for shipment.

(d) "Delivery order" means a written order to deliver goods directed to a warehouseman, carrier or other person who in the ordinary course of business issues warehouse receipts or bills of lading.

(e) "Document" means document of title as defined in the general definitions in Article 1 (Section 1–201).

(f) "Goods" means all things which are treated as movable for the purposes of a contract of storage or transportation.

(g) "Issuer" means a bailee who issues a document except that in relation to an unaccepted delivery order it means the person who orders the possessor of goods to deliver. Issuer includes any person for whom an agent or employee purports to act in issuing a document if the agent or employee has real or apparent authority to issue documents, notwithstanding that the issuer received no goods or that the goods were misdescribed or that in any other respect the agent or employee violated his instructions.

(h) "Warehouseman" is a person engaged in the business of storing goods for hire.

(2) Other definitions applying to this Article or to specified Parts thereof, and the sections in which they appear are:

"Duly negotiate". Section 7–501.
"Person entitled under the document". Section 7–403(4).

(3) Definitions in other Articles applying to this Article and the sections in which they appear are:

"Contract for sale". Section 2–106.
"Overseas". Section 2–323.
"Receipt" of goods. Section 2–103.

(4) In addition Article 1 contains general definitions and principles of construction and interpretation applicable throughout this Article.

Section 7–103. *Relation of Article to Treaty, Statute, Tariff, Classification or Regulation.* To the extent that any treaty or statute of the United States, regulatory statute of his State or tariff, classification or regulation filed or issued pursuant thereto is applicable, the provisions of this Article are subject thereto.

Section 7–104. *Negotiable and Non-Negotiable Warehouse Receipt, Bill of Lading or Other Document of Title.* (1) A warehouse receipt, bill of lading or other document of title is negotiable

(a) if by its terms the goods are to be delivered to bearer or to the order of a named person; or

(b) where recognized in overseas trade, if it runs to a named person or assigns.

(2) Any other document is non-negotiable. A bill of lading in which it is stated that the goods are consigned to a named person is not made negotiable by a provision that the goods are to be delivered only against a written order signed by the same or another named person.

Section 7–105. *Construction Against Negative Implication.* The omission from either Part 2 or Part 3 of this Article of a provision corresponding to a provision made in the other Part does not imply that a corresponding rule of law is not applicable.

Part 2. Warehouse Receipts: Special Provisions

Section 7–201. *Who May Issue a Warehouse Receipt; Storage Under Government Bond.* (1) A warehouse receipt may be issued by any warehouseman.

(2) Where goods including distilled spirits and agricultural commodities are stored under a statute requiring a bond against withdrawal or a license for the issuance of receipts in the nature of warehouse receipts, a receipt issued for the goods has like effect as a warehouse receipt even though issued by a person who is the owner of the goods and is not a warehouseman.

Section 7–202. *Form of Warehouse Receipt; Essential Terms; Optional Terms.* (1) A warehouse receipt need not be in any particular form.

(2) Unless a warehouse receipt embodies within its written or printed terms each of the following, the warehouseman is liable for damages caused by the omission to a person injured thereby:

(a) the location of the warehouse where the goods are stored;

(b) the date of issue of the receipt;

(c) the consecutive number of the receipt;

(d) a statement whether the goods received will be delivered to the bearer, to a specified person, or to a specified person or his order;

(e) the rate of storage and handling charges, except that where goods are stored under a field warehousing arrangement a statement of that fact is sufficient on a non-negotiable receipt;

(f) a description of the goods or of the packages containing them;

(g) the signature of the warehouseman, which may be made by his authorized agent;

(h) if the receipt is issued for goods of which the warehouseman is owner, either solely or jointly or in common with others, the fact of such ownership; and

(i) a statement of the amount of advances made and of liabilities incurred for which the warehouseman claims a lien or security interest (Section 7–209). If the precise amount of such advances made or of such liabilities incurred is, at the time of the issue of the receipt, unknown to the warehouseman or to his agent who issues it, a statement of the fact that advances have been made or liablities incurred and the purpose thereof is sufficient.

(3) A warehouseman may insert in his receipt any other terms which are not contrary to the provisions of this Act and do not impair his obligation of delivery (Section 7—403) or his duty of care (Section 7—204). Any contrary provisions shall be ineffective.

Section 7—203. *Liability for Non-Receipt or Misdescription.* A party to or purchaser for value in good faith of a document of title other than a bill of lading relying in either case upon the description therein of the goods may recover from the issuer damages caused by the non-receipt or misdescription of the goods, except to the extent that the document conspicuously indicates that the issuer does not know whether any part or all of the goods in fact were received or conform to the description, as where the description is in terms of marks or labels or kind, quantity or condition, or the receipt or description is qualified by "contents, condition and quality unknown", "said to contain" or the like, if such indication be true, or the party or purchaser otherwise has notice.

Section 7—204. *Duty of Care; Contractual Limitation of Warehouseman's Liability.* (1) A warehouseman is liable for damages for loss of or injury to the goods cause by his failure to exercise such care in regard to them as a reasonably careful man would exercise under like circumstances but unless otherwise agreed he is not liable for damages which could not have been avoided by the exercise of such care.

(2) Damages may be limited by a term in the warehouse receipt or storage agreement limiting the amount of liability in case of loss or damage, and setting forth a specific liability per article or item, or value per unit of weight, beyond which the warehouseman shall not be liable; provided, however, that such liability may on written request of the bailor at the time of signing such storage agreement or within a reasonable time after receipt of the warehouse receipt be increased on part or all of the goods thereunder, in which event increased rates may be charged based on such increased valuation, but that no such increase shall be permitted contrary to a lawful limitation of liability contained in the warehouseman's tariff, if any. No such limitation is effective with respect to the warehouseman's liability for conversion to his own use.

(3) Reasonable provisions as to the time and manner of presenting claims and instituting actions based on the bailment may be included in the warehouse receipt or tariff.

(4) This section does not impair or repeal . . .

Section 7—205. *Title Under Warehouse Receipt Defeated in Certain Cases.* A buyer in the ordinary course of business of fungible goods sold and delivered by a warehouseman who is also in the business of buying and selling such goods takes free of any claim under a warehouse receipt even though it has been duly negotiated.

Section 7–206. *Termination of Storage at Warehouseman's Option.* (1) A warehouseman may on notifying the person on whose account the goods are held and any other person known to claim an interest in the goods require payment of any charges and removal of the goods from the warehouse at the termination of the period of storage fixed by the document, or, if no period is fixed, within a stated period not less than thirty days after the notification. If the goods are not removed before the date specified in the notification, the warehouseman may sell them in accordance with the provisions of the section on enforcement of a warehouseman's lien (Section 7–210).

(2) If a warehouseman in good faith believes that the goods are about to deteriorate or decline in value to less than the amount of his lien within the time prescribed in subsection (1) for notification, advertisement and sale, the warehouseman may specify in the notification any reasonable shorter time for removal of the goods and in case the goods are not removed, may sell them at public sale held not less than one week after a single advertisement or posting.

(3) If as a result of a quality or condition of the goods of which the warehouseman had no notice at the time of deposit the goods are a hazard to other property or to the warehouse or to persons, the warehouseman may sell the goods at public or private sale without advertisement on reasonable notification to all persons known to claim an interest in the goods. If the warehouseman after a reasonable effort is unable to sell the goods he may dispose of them in any lawful manner and shall incur no liability by reason of such disposition.

(4) The warehouseman must deliver the goods to any person entitled to them under this Article upon due demand made at any time prior to sale or other disposition under this section.

(5) The warehouseman may satisfy his lien from the proceeds of any sale or disposition under this section but must hold the balance for delivery on the demand of any person to whom he would have been bound to deliver the goods.

Section 7–207. *Goods Must Be Kept Separate; Fungible Goods.* (1) Unless the warehouse receipt otherwise provides, a warehouseman must keep separate the goods covered by each receipt so as to permit at all times identification and delivery of those goods except that different lots of fungible goods may be commingled.

(2) Fungible goods so commingled are owned in common by the persons entitled thereto and the warehouseman is severally liable to each owner for that owner's share. Where because of overissue a

mass of fungible goods is insufficient to meet all the receipts which the warehouseman has issued against it, the persons entitled include all holders to whom overissued receipts have been duly negotiated.

Section 7—208. *Altered Warehouse Receipts.* Where a blank in a negotiable warehouse receipt has been filled in without authority, a purchaser for value and without notice of the want of authority may treat the insertion as authorized. Any other unauthorized alteration leaves any receipt enforceable against the issuer according to its original tenor.

Section 7—209. *Lien of Warehouseman.* (1) A warehouseman has a lien against the bailor on the goods covered by a warehouse receipt or on the proceeds thereof in his possession for charges for storage or transportation (including demurrage and terminal charges), insurance, labor, or charges present or future in relation to the goods, and for expenses necessary for preservation of the goods or reasonably incurred in their sale pursuant to law. If the person on whose account the goods are held is liable for like charges or expenses in relation to other goods whenever deposited and it is stated in the receipt that a lien is claimed for charges and expenses in relation to other goods, the warehouseman also has a lien against him for such charges and expenses whether or not the other goods have been delivered by the warehouseman. But against a person to whom a negotiable warehouse receipt is duly negotiated a warehouseman's lien is limited to charges in an amount or at a rate specified on the receipt or if no charges are so specified then to a reasonable charge for storage of the goods covered by the receipt subsequent to the date of the receipt.

(2) The warehouseman may also reserve a security interest against the bailor for a maximum amount specified on the receipt for charges other than those specified in subsection (1), such as for money advanced and interest. Such a security interest is governed by the Article on Secured Transactions (Article 9).

(3) A warehouseman's lien for charges and expenses under subsection (1) or a security interest under subsection (2) is also effective against any person who so entrusted the bailor with possession of the goods that a pledge of them by him to a good faith purchaser for value would have been valid but is not effective against a person as to whom the document confers no right in the goods covered by it under Section 7—503.

(4) A warehouseman loses his lien on any goods which he voluntarily delivers or which he unjustifiably refuses to deliver.

Section 7—210. *Enforcement of Warehouseman's Lien.* (1) Except as provided in subsection (2), a warehouseman's lien may be enforced by public or private sale of the goods in bloc or in parcels, at any time or place and on any terms which are commercially reasonable, after notifying all persons known to claim an interest in the goods. Such notification must include a statement of the amount due, the nature of the proposed sale and the time and place of any public sale. The fact that a better price could have been obtained by a sale at a different time or in a different method from that selected by the warehouseman is not of itself sufficient to establish that the sale was not made in a commercially reasonable manner. If the warehouseman either sells the goods in the usual manner in any recognized market therefor, or if he sells at the price current in such market at the time of his sale, or if he has otherwise sold in conformity with commercially reasonable practices among dealers in the type of goods sold, he has sold in a commercially reasonable manner. A sale of more goods than apparently necessary to be offered to insure satisfaction of the obligation is not commercially reasonable except in cases covered by the preceding sentence.

(2) A warehouseman's lien on goods other than goods stored by a merchant in the course of his business may be enforced only as follows:

(a) All persons known to claim an interest in the goods must be notified.

(b) The notification must be delivered in person or sent by registered letter to the last known address of any person to be notified.

(c) The notification must include an itemized statement of the claim, a description of the goods subject to the lien, a demand for payment within a specified time not less than ten days after receipt of the notification, and a conspicuous statement that unless the claim is paid within that time the goods will be advertised for sale and sold by auction at a specified time and place.

(d) The sale must conform to the terms of the notification.

(e) The sale must be held at the nearest suitable place to that where the goods are held or stored.

(f) After the expiration of the time given in the notification, an advertisement of the sale must be published once a week for two weeks consecutively in a newspaper of general circulation where the sale is to be held. The advertisement must include a description of the goods, the name of the person on whose account they are being held, and the time and place of the sale. The sale must take place at least fifteen days after the first publication. If there is no newspaper of general circulation where the sale is to be held, the advertisement must be posted at least ten days before the sale in not less than six conspicuous places in the neighborhood of the proposed sale.

(3) Before any sale pursuant to this section any person claiming a right in the goods may pay the amount necessary to satisfy the

lien and the reasonable expenses incurred under this section. In that event the goods must not be sold, but must be retained by the warehouseman subject to the terms of the receipt and this Article.

(4) The warehouseman may buy at any public sale pursuant to this section.

(5) A purchaser in good faith of goods sold to enforce a warehouseman's lien takes the goods free of any rights of persons against whom the lien was valid, despite noncompliance by the warehouseman with the requirements of this section.

(6) The warehouseman may satisfy his lien from the proceeds of any sale pursuant to this section but must hold the balance, if any, for delivery on demand to any person to whom he would have been bound to deliver the goods.

(7) The rights provided by this section shall be in addition to all other rights allowed by law to a creditor against his debtor.

(8) Where a lien is on goods stored by a merchant in the course of his business the lien may be enforced in accordance with either subsection (1) or (2).

(9) The warehouseman is liable for damages caused by failure to comply with the requirements for sale under this section and in case of willful violation is liable for conversion.

Part 3. Bills of Lading: Special Provisions

Section 7—301. *Liability for Non-Receipt or Misdescription; "Said to Contain"; "Shipper's Load and Count"; Improper Handling.* (1) A consignee of a non-negotiable bill who has given value in good faith or a holder to whom a negotiable bill has been duly negotiated relying in either case upon the description therein of the goods, or upon the date therein shown, may recover from the issuer damages caused by the misdating of the bill or the non-receipt or misdescription of the goods, except to the extent that the document indicates that the issuer does not know whether any part or all of the goods in fact were received or conform to the description, as where the description is in terms of marks or labels or kind, quantity, or condition or the receipt or description is qualified by "contents or condition of contents of packages unknown", "said to contain", "shipper's weight, load and count" or the like, if such indication be true.

(2) When goods are loaded by an issuer who is a common carrier, the issuer must count the packages of goods if package freight and ascertain the kind and quantity if bulk freight. In such cases "shipper's weight, load and count" or other words indicating that the description was made by the shipper are ineffective except as to freight concealed by packages.

(3) When bulk freight is loaded by a shipper who makes available to the issuer adequate facilities for weighing such freight, an issuer who is a common carrier must ascertain the kind and quantity

within a reasonable time after receiving the written request of the shipper to do so. In such cases "shipper's weight" or other words of like purport are ineffective.

(4) The issuer may by inserting in the bill the words "shipper's weight, load and count" or other words of like purport indicate that the goods were loaded by the shipper; and if such statement be true the issuer shall not be liable for damages caused by the improper loading. But their omission does not imply liability for such damages.

(5) The shipper shall be deemed to have guaranteed to the issuer the accuracy at the time of shipment of the description, marks, labels, number, kind, quantity, condition and weight, as furnished by him; and the shipper shall indemnify the issuer against damages caused by inaccuracies in such particulars. The right of the issuer to such indemnity shall in no way limit his responsibility and liability under the contract of carriage to any person other than the shipper.

Section 7—302. *Through Bills of Lading and Similar Documents.* (1) The issuer of a through bill of lading or other document embodying an undertaking to be performed in part by persons acting as its agents or by connecting carriers is liable to anyone entitled to recover on the document for any breach by such other persons or by a connecting carrier of its obligation under the document but to the extent that the bill covers an undertaking to be performed overseas or in territory not contiguous to the continental United States or an undertaking including matters other than transportation this liability may be varied by agreement of the parties.

(2) Where goods covered by a through bill of lading or other document embodying an undertaking to be performed in part by persons other than the issuer are received by any such person, he is subject with respect to his own performance while the goods are in his possession to the obligation of the issuer. His obligation is discharged by delivery of the goods to another such person pursuant to the document, and does not include liability for breach by any other such persons or by the issuer.

(3) The issuer of such through bill of lading or other document shall be entitled to recover from the connecting carrier or such other person in possession of the goods when the breach of the obligation under the document occurred, the amount it may be required to pay to anyone entitled to recover on the document therefor, as may be evidenced by any receipt, judgment, or transcript thereof, and the amount of any expense reasonably incurred by it in defending any action brought by anyone entitled to recover on the document therefor.

Section 7—303. *Diversion; Reconsignment; Change of Instructions.* (1) Unless the bill of lading otherwise provides, the carrier may deliver the goods to a person or destination other than that stated in the bill or may otherwise dispose of the goods on instructions from

(a) the holder of a negotiable bill; or

(b) the consignor on a non-negotiable bill notwithstanding contrary instructions from the consignee; or

(c) the consignee on a non-negotiable bill in the absence of contrary instructions from the consignor, if the goods have arrived at the billed destination or if the consignee is in possession of the bill; or

(d) the consignee on a non-negotiable bill if he is entitled as against the consignor to dispose of them.

(2) Unless such instructions are noted on a negotiable bill of lading, a person to whom the bill is duly negotiated can hold the bailee according to the original terms.

Section 7—304. *Bills of Lading in a Set.* (1) Except where customary in overseas transportation, a bill of lading must not be issued in a set of parts. The issuer is liable for damages caused by violation of this subsection.

(2) Where a bill of lading is lawfully drawn in a set of parts, each of which is numbered and expressed to be valid only if the goods have not been delivered against any other part, the whole of the parts constitute one bill.

(3) Where a bill of lading is lawfully issued in a set of parts and different parts are negotiated to different persons, the title of the holder to whom the first due negotiation is made prevails as to both the document and the goods even though any later holder may have received the goods from the carrier in good faith and discharged the carrier's obligation by surrender of his part.

(4) Any person who negotiates or transfers a single part of a bill of lading drawn in a set is liable to holders of that part as if it were the whole set.

(5) The bailee is obliged to deliver in accordance with Part 4 of this Article against the first presented part of a bill of lading lawfully drawn in a set. Such delivery discharges the bailee's obligation on the whole bill.

Section 7—305. *Destination Bills.* (1) Instead of issuing a bill of lading to the consignor at the place of shipment a carrier may at the request of the consignor procure the bill to be issued at destination or at any other place designated in the request.

(2) Upon request of anyone entitled as against the carrier to control the goods while in transit and on surrender or any outstanding bill of lading or other receipt covering such goods, the issuer may procure a substitute bill to be issued at any place designated in the request.

Section 7—306. *Altered Bills of Lading.* An unauthorized alteration or filling in of a blank in a bill of lading leaves the bill enforceable according to its original tenor.

Section 7—307. *Lien of Carrier.* (1) A carrier has a lien on the goods covered by a bill of lading for charges subsequent to the date of its receipt of the goods for storage or transportation (including demurrage and terminal charges) and for expenses necessary for preservation of the goods incident to their transportation or reasonably incurred in their sale pursuant to law. But against a purchaser for value of a negotiable bill of lading a carrier's lien is limited to charges stated in the bill or the applicable tariffs, or if no charges are stated then to a reasonable charge.

(2) A lien for charges and expenses under subsection (1) on goods which the carrier was required by law to receive for transportation is effective against the consignor or any person entitled to the goods unless the carrier had notice that the consignor lacked authority to subject the goods to such charges and expenses. Any other lien under subsection (1) is effective against the consignor and any person who permitted the bailor to have control or possession of the goods unless the carrier had notice that the bailor lacked such authority.

(3) A carrier loses his lien on any goods which he voluntarily delivers or which he unjustifiably refuses to deliver.

Section 7—308. *Enforcement of Carrier's Lien.* (1) A carrier's lien may be enforced by public or private sale of the goods, in bloc or in parcels, at any time or place and on any terms which are commercially reasonable, after notifying all persons known to claim an interest in the goods. Such notification must include a statement of the amount due, the nature of the proposed sale and the time and place of any public sale. The fact that a better price could have been obtained by a sale at a different time or in a different method from that selected by the carrier is not of itself sufficient to establish that the sale was not made in a commercially reasonable manner. If the carrier either sells the goods in the usual manner in any recognized market therefor or if he sells at the price current in such market at the time of his sale or if he has otherwise sold in conformity with commercially reasonable practices among dealers in the type of goods sold he has sold in a commercially reasonable manner. A sale of more goods than apparently necessary to be offered to ensure satisfaction of the obligation is not commercially reasonable except in cases covered by the preceding sentence.

(2) Before any sale pursuant to this section any person claiming a right in the goods may pay the amount necessary to satisfy the lien and the reasonable expenses incurred under this section. In that event the goods must not be sold, but must be retained by the carrier subject to the terms of the bill and this Article.

(3) The carrier may buy at any public sale pursuant to this section.

(4) A purchaser in good faith of goods sold to enforce a carrier's

lien takes the goods free of any rights of persons against whom the lien was valid, despite noncompliance by the carrier with the requirements of this section.

(5) The carrier may satisfy his lien from the proceeds of any sale pursuant to this section but must hold the balance, if any, for delivery on demand to any person to whom he would have been bound to deliver the goods.

(6) The rights provided by this section shall be in addition to all other rights allowed by law to a creditor against his debtor.

(7) A carrier's lien may be enforced in accordance with either subsection (1) or the procedure set forth in subsection (2) of Section 7–210.

(8) The carrier is liable for damages caused by failure to comply with the requirements for sale under this section and in case of willful violation is liable for conversion.

Section 7–309. *Duty of Care; Contractual Limitation of Carrier's Liability.* (1) A carrier who issues a bill of lading whether negotiable or non-negotiable must exercise the degree of care in relation to the goods which a reasonably careful man would exercise under like circumstances. This subsection does not repeal or change any law or rule of law which imposes liability upon a common carrier for damages not caused by its negligence.

(2) Damages may be limited by a provision that the carrier's liability shall not exceed a value stated in the document if the carrier's rates are dependent upon value and the consignor by the carrier's tariff is afforded an opportunity to declare a higher value or a value as lawfully provided in the tariff, or where no tariff is filed he is otherwise advised of such opportunity; but no such limitation is effective with respect to the carrier's liability for conversion to its own use.

(3) Reasonable provisions as to the time and manner of presenting claims and instituting actions based on the shipment may be included in a bill of lading or tariff.

Part 4. Warehouse Receipts and Bills of Lading: General Obligations

Section 7–401. *Irregularities in Issue of Receipt or Bill or Conduct of Issuer.* The obligations imposed this Article on an issuer apply to a document of title regardless of the fact that

(a) the document may not comply with the requirements of this Article or of any other law or regulation regarding its issue, form or content; or

(b) the issuer may have violated laws regulating the conduct of his business; or

(c) the goods covered by the document were owned by the bailee at the time the document was issued; or

(d) the person issuing the document does not come within the definition of warehouseman if it purports to be a warehouse receipt.

Section 7—402. *Duplicate Receipt or Bill; Overissue.* Neither a duplicate nor any other document of title purporting to cover goods already represented by an outstanding document of the same issuer confers any right in the goods, except as provided in the case of bills in a set, overissue of documents for fungible goods and substitutes for lost, stolen or destroyed documents. But the issuer is liable for damages caused by his overissue or failure to identify a duplicate document as such by conspicuous notation on its face.

Section 7—403. *Obligation of Warehouseman or Carrier to Deliver; Excuse.* (1) The bailee must deliver the goods to a person entitled under the document who complies with subsections (2) and (3), unless and to the extent that the bailee establishes any of the following:

(a) delivery of the goods to a person whose receipt was rightful as against the claimant;

(b) damage to or delay, loss or destruction of the goods for which the bailee is not liable, but the burden of establishing negligence in such cases is on the person entitled under the document;

(c) previous sale or other disposition of the goods in lawful enforcement of a lien or on warehouseman's lawful termination of storage;

(d) the exercise by a seller of his right to stop delivery pursuant to the provisions of the Article on Sales (Section 2—705);

(e) a diversion, reconsignment or other disposition pursuant to the provisions of this Article (Section 7—303) or tariff regulating such right;

(f) release, satisfaction or any other fact affording a personal defense against the claimant;

(g) any other lawful excuse.

(2) A person claiming goods covered by a document of title must satisfy the bailee's lien where the bailee so requests or where the bailee is prohibited by law from delivering the goods until the charges are paid.

(3) Unless the person claiming is one against whom the document confers no right under Sec. 7—503 (1), he must surrender for cancellation or notation of partial deliveries any outstanding negotiable document covering the goods, and the bailee must cancel the document or conspicuously note the partial delivery thereon or be liable to any person to whom the document is duly negotiated.

(4) "Person entitled under the document" means holder in the case of a negotiable document, or the person to whom delivery is to

be made by the terms of or pursuant to written instructions under a non-negotiable document.

Section 7—404. *No Liability for Good Faith Delivery Pursuant to Receipt or Bill.* A bailee who in good faith including observance of reasonable commercial standards has received goods and delivered or otherwise disposed of them according to the terms of the document of title or pursuant to this Article is not liable therefor. This rule applies even though the person from whom he received the goods had no authority to procure the document or to dispose of the goods and even though the person to whom he delivered the goods had no authority to receive them.

Part 5. Warehouse Receipts and Bills of Lading: Negotiation and Transfer

Section 7—501. *Form of Negotiation and Requirements of "Due Negotiation".* (1) A negotiable document of title running to the order of a named person is negotiated by his indorsement and delivery. After his indorsement in blank or to bearer any person can negotiate it by delivery alone.

(2) (a) A negotiable document of title is also negotiated by delivery alone when by its original terms it runs to bearer;

(b) when a document running to the order of a named person is delivered to him the effect is the same as if the document had been negotiated.

(3) Negotiation of a negotiable document of title after it has been indorsed to a specified person requires indorsement by the special indorsee as well as delivery.

(4) A negotiable document of title is "duly negotiated" when it is negotiated in the manner stated in this section to a holder who purchases it in good faith without notice of any defense against or claim to it on the part of any person and for value, unless it is established that the negotiation is not in the regular course of business or financing or involves receiving the document in settlement or payment of a money obligation.

(5) Indorsement of a non-negotiable document neither makes it negotiable nor adds to the transferee's rights.

(6) The naming in a negotiable bill of a person to be notified of the arrival of the goods does not limit the negotiability of the bill nor constitute notice to a purchaser thereof of any interest of such person in the goods.

Section 7—502. *Rights Acquired by Due Negotiation.* (1) Subject to the following section and to the provisions of Section 7—205 on fungible goods, a holder to whom a negotiable document of title has been duly negotiated acquires thereby:

(a) title to the document;
(b) title to the goods;
(c) all rights accruing under the law of agency or estoppel, including rights to goods delivered to the bailee after the document was issued; and
(d) the direct obligation of the issuer to hold or deliver the goods according to the terms of the document free of any defense or claim by him except those arising under the terms of the document or under this Article. In the case of a delivery order the bailee's obligation accrues only upon acceptance and the obligation acquired by the holder is that the issuer and any indorser will procure the acceptance of the bailee.

(2) Subject to the following section, title and rights so acquired are not defeated by any stoppage of the goods represented by the document or by surrender of such goods by the bailee, and are not impaired even though the negotiation or any prior negotiation constituted a breach of duty or even though any person has been deprived of possession of the document by misrepresentation, fraud, accident, mistake, duress, loss, theft or conversion, or even though a previous sale or other transfer of the goods or document has been made to a third person.

Section 7—503. *Document of Title to Goods Defeated in Certain Cases.* (1) A document of title confers no right in goods against a person who before issuance of the document had a legal interest or a perfected security interest in them and who neither

(a) delivered or entrusted them or any dcoument of title covering them to the bailor or his nominee with actual or apparent authority to ship, store or sell or with power to obtain delivery under this Article (Section 7—403) or with power of disposition under this Act (Sections 2—403 and 9—307) or other statute or rule of law; nor
(b) acquiesced in the procurement by the bailor or his nominee of any document of title.

(2) Title to goods based upon an unaccepted delivery order is subject to the rights of anyone to whom a negotiable warehouse receipt or bill of lading covering the goods has been duly negotiated. Such a title may be defeated under the next section to the same extent as the rights of the issuer or a transferee from the issuer.

(3) Title to goods based upon a bill of lading issued to a freight forwarder is subject to the rights of anyone to whom a bill issued by the freight forwarder is duly negotiated; but delivery by the carrier in accordance with Part 4 of this Article pursuant to its own bill of lading discharges the carrier's obligation to deliver.

Section 7—504. *Rights Acquired in the Absence of Due Negotiation; Effect of Diversion; Seller's Stoppage of Delivery.* (1) A transferee of a document, whether negotiable or non-negotiable, to whom the document has been delivered but not duly negotiated, acquires the title and rights which his transferor had or had actual authority to convey.

(2) In the case of a non-negotiable document, until but not after the bailee receives notification of the transfer, the rights of the transferee may be defeated

(a) by those creditors of the transferor who could treat the sale as void under Section 2—402; or

(b) by a buyer from the transferor in ordinary course of business if the bailee has delivered the goods to the buyer or received notification of his rights; or

(c) as against the bailee by good faith dealings of the bailee with the transferor.

(3) A diversion or other change of shipping instructions by the consignor in a non-negotiable bill of lading which causes the bailee not to deliver to the consignee defeats the consignee's title to the goods if they have been delivered to a buyer in ordinary course of business and in any event defeats the consignee's rights against the bailee.

(4) Delivery pursuant to a non-negotiable document may be stopped by a seller under Section 2—705, and subject to the requirement of due notification there provided. A bailee honoring the seller's instructions is entitled to be indemnified by the seller against any resulting loss or expense.

Section 7—505. *Indorser Not a Guarantor for Other Parties.* The indorsement of a document of title issued by a bailee does not make the indorser liable for any default by the bailee or by previous indorsers.

Section 7—506. *Delivery Without Indorsement; Right to Compel Indorsement.* The transferee of a negotiable document of title has a specifically enforceable right to have his transferor supply any necessary indorsement but the transfer becomes a negotiation only as of the time the indorsement is supplied.

Section 7—507. *Warranties on Negotiation or Transfer of Receipt or Bill.* Where a person negotiates or transfers a document of title for value otherwise than as a mere intermediary under the next following section, then unless otherwise agreed he warrants to his immediate purchaser only in addition to any warranty made in selling the goods

(a) that the document is genuine; and

(b) that he has no knowledge of any fact which would impair its validity or worth; and

(c) that his negotiation or transfer is rightful and fully effective with respect to the title to the document and the goods it represents.

Section 7—508. *Warranties of Collecting Bank as to Documents.* A collecting bank or other intermediary known to be entrusted with documents on behalf of another or with collection of a draft or other claim against delivery of documents warrants by such delivery of the documents only its own good faith and authority. This rule applies even though the intermediary has purchased or made advances against the claim or draft to be collected.

Section 7—509. *Receipt or Bill: When Adequate Compliance With Commercial Contract.* The question whether a document is adequate to fulfill the obligations of a contract for sale or the conditions of a credit is governed by the Article on Sales (Article 2) and on Letters of Credit (Article 5).

Part 6. Warehouse Receipts and Bills of Lading: Miscellaneous Provisions

Section 7—601. *Lost and Missing Documents.* (1) If a document has been lost, stolen or destroyed, a court may order delivery of the goods or issuance of a substitute document and the bailee may without liability to any person comply with such order. If the document was negotiable the claimant must post security approved by the court to indemnify any person who may suffer loss as a result of non-surrender of the document. If the document was not negotiable, such security may be required at the discretion of the court. The court may also in its discretion order payment of the bailee's reasonable costs and counsel fees.

(2) A bailee who without court order delivers goods to a person claiming under a missing negotiable document is liable to any person injured thereby, and if the delivery is not in good faith becomes liable for conversion. Delivery in good faith is not conversion if made in accordance with a filed classification or tariff or, where no classification or tariff is filed, if the claimant posts security with the bailee in an amount at least double the value of the goods at the time of posting to indemnify any person injured by the delivery who files a notice of claim within one year after the delivery.

Section 7—602. *Attachment of Goods Covered by a Negotiable Document.* Except where the document was originally issued upon delivery of the goods by a person who had no power to dispose of them, no lien attaches by virtue of any judicial process to goods in the possession of a bailee for which a negotiable document of title is outstanding unless the document be first surrendered to the bailee or its negotiation enjoined, and the bailee shall not be compelled to deliver the goods pursuant to process until the document is surrendered to him or impounded by the court. One who purchases the document for value without notice of the process or injunction takes free of the lien imposed by judicial process.

Section 7—603. *Conflicting Claims; Interpleader.* If more than one person claims title or possession of the goods, the bailee is excused from delivery until he has had a reasonable time to ascertain the validity of the adverse claims or to bring an action to compel all claimants to interplead and may compel such interpleader, either in defending an action for non-delivery of goods, or by original action, whichever is appropriate.

ARTICLE 8. INVESTMENT SECURITIES

Part 1. Short Title and General Matters

Section 8—101. *Short Title.* This Article shall be known and may be cited as Uniform Commercial Code—Investment Securities.

Section 8—102. *Definitions and Index of Definitions.* (1) In this Article unless the context otherwise requires

(a) A "security" is an instrument which

(i) is issued in bearer or registered form; and

(ii) is of a type commonly dealt in upon securities exchanges or markets or commonly recognized in any area in which it is issued or dealt in as a medium for investment; and

(iii) is either one of a class or series or by its terms is divisible into a class or series of instruments; and

(iv) evidences a share, participation or other interest in property or in an enterprise or evidences an obligation of the issuer.

(b) A writing which is a security is governed by this Article and not by Uniform Commercial Code—Commercial Paper even though it also meets the requirements of that Article. This Article does not apply to money.

(c) A security is in "registered form" when it specifies a person entitled to the security or the rights it evidences and when its transfer may be registered upon books maintained for that purpose by or on behalf of an issuer or the security so states.

(d) A security is in "bearer form" when it runs to bearer according to its terms and not by reason of any indorsement.

(2) "Proper form" means regular on its face with regard to all formal matters.

(3) A "subsequent purchaser" is a person who takes other than by original issue.

(4) Other definitions applying to this Article or to specified Parts thereof and the sections in which they appear are:

"Adverse claim".	Section 8–301.
"Bona fide purchaser".	Section 8–302.
"Broker".	Section 8–303.
"Guarantee of the signature".	Section 8–402.
"Intermediary Bank".	Section 4–105.
"Issuer".	Section 8–201.
"Overissue".	Section 8–104.

(5) In addition Article 1 contains general definitions and principles of construction and interpretation applicable throughout this Article.

Section 8–103. *Issuer's Lien.* A lien upon a security in favor of an issuer thereof is valid against a purchaser only if the right of the issuer to such lien is noted conspicuously on the security.

Section 8–104. *Effect of Overissue; "Overissue."* (1) The provisions of this Article which validate a security or compel its issue or reissue do not apply to the extent that validation, issue or reissue would result in overissue; but

(a) If an identical security which does not constitute an overissue is reasonably available for purchase, the person entitled to issue or validation may compel the issuer to purchase and deliver such a security to him against surrender of the security, if any, which he holds; or

(b) if a security is not so available for purchase, the person entitled to issue or validation may recover from the issuer the price he or the last purchaser for value paid for it with interest from the date of his demand.

(2) "Overissue" means the issue of securities in excess of the amount which the issuer has corporate power to issue.

Section 8–105. *Securities Negotiable; Presumptions.* (1) Securities governed by this Article are negotiable instruments.

(2) In any action on a security

(a) unless specifically denied in the pleadings, each signature on the security or in a necessary indorsement is admitted;

(b) when the effectiveness of a signature is put in issue the burden of establishing it is on the party claiming under the signature but the signature is presumed to be genuine or authorized;

(c) when signatures are admitted or established production of the instrument entitles a holder to recover on it unless the defendant establishes a defense or a defect going to the validity of the security; and

(d) after it is shown that a defense or defect exists the plaintiff has the burden of establishing that he or some person under whom he claims is a person against whom the defense or defect is ineffective (Section 8–202).

Section 8–106. *Applicability.* The validity of a security and the rights and duties of the issuer with respect to registration of transfer are governed by the law (including the conflict of laws rules) of the jurisdiction of organization of the issuer.

Part 2. Issue—Issuer

Section 8–201. *"Issuer."* (1) With respect to obligations on or defenses to a security "issuer" includes a person who

(a) places or authorizes the placing of his name on a security (otherwise than as authenticating trustee, registrar, transfer agent or the like) to evidence that it represents a share, participation or other interest in his property or in an enterprise or to evidence his duty to perform an obligation evidenced by the security; or

(b) directly or indirectly creates fractional interests in his rights or property which fractional interests are evidenced by securities; or

(c) becomes responsible for or in place of any other person described as an issuer in this section.

(2) With respect to obligations on or defenses to a security a guarantor is an issuer to the extent of his guaranty whether or not his obligation is noted on the security.

(3) With respect to registration of transfer (Part 4 of this Article) "issuer" means a person on whose behalf transfer books are maintained.

Section 8–202. *Issuer's Responsibility and Defenses; Notice of Defect or Defense.* (1) Even against a purchaser for value and without notice, the terms of a security include those stated on the security and those made part of the security by reference to another instrument, indenture or document or to a constitution, statute, ordinance, rule, regulation, order or the like to the extent that the terms so referred to do not conflict with the stated terms. Such a reference does not of itself charge a purchaser for value with notice of a defect going to the validity of the security even though the security expressly states that a person accepting it admits such notice.

(2) (a) A security other than one issued by a government or governmental agency or unit even though issued with a defect going to its validity is valid in the hands of a purchaser for value and without notice of the particular defect unless the defect involves a violation of constitu-

tional provisions in which case the security is valid in the hands of a subsequent purchaser for value and without notice of the defect.

(b) The rule of subparagraph (a) applies to an issuer which is a government or governmental agency or unit only if either there has been substantial compliance with the legal requirements governing the issue or the issuer has received a substantial consideration for the issue as a whole or for the particular security and a stated purpose of the issue is one for which the issuer has power to borrow money or issue the security.

(3) Except as otherwise provided in the case of certain unauthorized signatures on issue (Section 8–205), lack of genuineness of a security is a complete defense even against a purchaser for value and without notice.

(4) All other defenses of the issuer including nondelivery and conditional delivery of the security are ineffective against a purchaser for value who has taken without notice of the particular defense..

(5) Nothing in this section shall be construed to affect the right of a party to a "when, as and if issued" or a "when distributed" contract to cancel the contract in the event of a material change in the character of the security which is the subject of the contract or in the plan or arrangement pursuant to which such security is to be issued or distributed.

Section 8–203. *Staleness as Notice of Defects or Defenses.* (1) After an act or event which creates a right to immediate performance or the principal obligation evidenced by the security or which sets a date on or after which the security is to be presented or surrendered for redemption or exchange, a purchaser is charged with notice of any defect in its issue or defense of the issuer.

(a) if the act or event is one requiring the payment of money or the delivery of securities or both on presentation or surrender of the security and such funds or securities are available on the date set for payment or exchange and he takes the security more than one year after that date; and

(b) if the act or event is not covered by paragraph (a) and he takes the security more than two years after the date set for surrender or presentation or the date on which such performance became due.

(2) A call which has been revoked is not within subsection (1).

Section 8–204. *Effect of Issuer's Restrictions on Transfer.* Unless noted conspicuously on the security a restriction on transfer imposed by the issuer even though otherwise lawful is ineffective except against a person with actual knowledge of it.

Section 8–205. *Effect of Unauthorized Signature on Issue.* An unauthorized signature placed on a security prior to or in the course of issue is ineffective except that the signature is effective in favor of a purchaser for value and without notice of the lack of authority if the signing has been done by

(a) an authenticating trustee, registrar, transfer agent or other person entrusted by the issuer with the signing of the security or of similar securities or their immediate preparation for signing; or

(b) an employee of the issuer or of any of the foregoing entrusted with responsible handling of the security.

Section 8–206. *Completion or Alteration of Instrument.* (1) Where a security contains the signatures necessary to its issue or transfer but is incomplete in any other respect

(a) any person may complete it by filling in the blanks as authorized; and

(b) even though the blanks are incorrectly filled in, the security as completed is enforceable by a purchaser who took it for value and without notice of such incorrectness.

(2) A complete security which has been improperly altered even though fraudulently remains enforceable but only according to its original terms.

Section 8–207. *Rights of Issuer With Respect to Registered Owners.* (1) Prior to due presentment for registration of transfer of a security in registered form the issuer or indenture trustee may treat the registered owner as the person exclusively entitled to vote, to receive notifications and otherwise to exercise all the rights and powers of an owner.

(2) Nothing in this Article shall be construed to affect the liability of the registered owner of a security for calls, assessments or the like.

Section 8–208. *Effect of Signature of Authenticating Trustee, Registrar or Transfer Agent.* (1) A person placing his signature upon a security as authenticating trustee, registrar, transfer agent or the like warrants to a purchaser for value without notice of the particular defect that

(a) the security is genuine and in proper form; and

(b) his own participation in the issue of the security is within his capacity and within the scope of the authorization received by him from the issuer; and

(c) he has reasonable grounds to believe that the security is within the amount the issuer is authorized to issue.

(2) Unless otherwise agreed, a person by so placing his signature does not assume responsibility for the validity of the security in other respects.

Part 3. Purchase

Section 8—301. *Rights Acquired by Purchaser; "Adverse Claim"; Title Acquired by Bona Fide Purchaser.* (1) Upon delivery of a security the purchaser acquires the rights in the security which his transferor had or had actual authority to convey except that a purchaser who has himself been a party to any fraud or illegality affecting the security or who as a prior holder had notice of an adverse claim cannot improve his position by taking from a later bona fide purchaser. "Adverse claim" includes a claim that a transfer was or would be wrongful or that a particular person is the owner of or has an interest in the security.

(2) A bona fide purchaser in addition to acquiring the rights of a purchaser also acquires the security free of any adverse claim.

(3) A purchaser of a limited interest acquires rights only to the extent of the interest purchased.

Section 8—302. *"Bona Fide Purchaser."* A "bona fide purchaser" is a purchaser for value in good faith and without notice of any adverse claim who takes delivery of a security in bearer form or of one in registered form issued to him or indorsed to him or in blank.

Section 8—303. *"Broker."* "Broker" means a person engaged for all or part of his time in the business of buying and selling securities, who in the transaction concerned acts for, or buys a security from or sells a security to a customer. Nothing in this Article determines the capacity in which a person acts for purposes of any other statute or rule to which such person is subject.

Section 8—304. *Notice to Purchaser of Adverse Claims.* (1) A purchaser (including a broker for the seller or buyer but excluding an intermediary bank) of a security is charged with notice of adverse claims if

(a) the security whether in bearer or registered form has been indorsed "for collection" or "for surrender" or for some other purpose not involving transfer; or

(b) the security is in bearer form and has on it an unambiguous statement that it is the property of a person other than the transferor. The mere writing of a name on a security is not such a statement.

(2) The fact that the purchaser (including a broker for the seller or buyer) has notice that the security is held for a third person or is registered in the name of or indorsed by a fiduciary does not create a duty of inquiry into the rightfulness of the transfer or constitute notice of adverse claims. If, however, the purchaser (excluding an intermediary bank) has reason to know that the proceeds are being used or that the transaction is for the individual benefit of the fiduciary, the purchaser is charged with notice of adverse claims.

Section 8—305. *Staleness as Notice of Adverse Claims.* An act or event which creates a right to immediate performance of the principal obligation evidenced by the security or which sets a date on or after which the security is to be presented or surrendered for redemption or exchange does not of itself constitute any notice of adverse claims except in the case of a purchase.

(a) after one year from any date set for such presentment or surrender for redemption or exchange; or

(b) after six months from any date set for payment of money against presentation or surrender of the security if funds are available for payment on that date.

Section 8—306. *Warranties on Presentment and Transfer.* (1) A person who presents a security for registration of transfer or for payment or exchange warrants to the issuer that he is entitled to the registration, payment or exchange. But a purchaser for value without notice of adverse claims who receives a new, reissued or re-registered security on registration of transfer warrants only that he has no knowledge of any unauthorized signature (Section 8—311) in a necessary indorsement.

(2) A person by transferring a security to a purchaser for value warrants only that

(a) his transfer is effective and rightful; and

(b) the security is genuine and has not been materially altered; and

(c) he knows no fact which might impair the validity of the security.

(3) Where a security is delivered by an intermediary known to be entrusted with delivery of the security on behalf of another or with collection of a draft or other claim against such delivery, the intermediary by such delivery warrants only his own good faith and authority even though he has purchased or made advances against the claim to be collected against the delivery. A broker is not an intermediary within the meaning of this subsection.

(4) A pledgee or other holder for security who redelivers the security received, or after payment and on order of the debtor delivers that security to a third person makes only the warranties of an intermediary under subsection (3).

(5) A broker gives to his customer and to the issuer and a purchaser the warranties provided in this section and has the rights and privileges of a purchaser under this section. The warranties of and in favor of the broker acting as an agent are in addition to applicable warranties given by and in favor of his customer.

Section 8—307. *Effect of Delivery Without Indorsement; Right to Compel Indorsement.* Where a security in registered form has been delivered to a purchaser without a necessary indorsement he may become a bona fide purchaser only as of the time the indorsement is supplied, but against the transferor the transfer is complete upon delivery and the purchaser has a specifically enforceable right to have any necessary indorsement supplied.

Section 8—308. *Indorsement, How Made; Special Indorsement; Indorser Not a Guarantor; Partial Assignment.* (1) An indorsement of a security in registered form is made when an appropriate person signs on it or on a separate document an assignment or transfer of the security or a power to assign or transfer it or when the signature of such person is written without more upon the back of the security.

(2) An indorsement may be in blank or special. An indorsement in blank includes an indorsement to bearer. A special indorsement specifies the person to whom the security is to be transferred, or who has power to transfer it. A holder may convert a blank indorsement into a special indorsement.

(3) "An appropriate person" in subsection (1) means

(a) the person specified by the security or by special indorsement to be entitled to the security; or

(b) where the person so specified is described as a fiduciary but is no longer serving in the described capacity,—his successor; or

(c) where the security or indorsement so specifies more than one person as fiduciaries and one or more are no longer serving in the described capacity,—the remaining fiduciary or fiduciaries, whether or not a successor has been appointed or qualified; or

(d) where the person so specified is an individual and is without capacity to act by virtue of death, incompetence, infancy or otherwise,—his executor, administrator, guardian or like fiduciary; or

(e) where the security or indorsement so specifies more than one person as tenants by the entirety or with right or survivorship and by reason of death all cannot sign, —the survivor or survivors; or

(f) a person having power to sign under applicable law or controlling instrument; or

(g) to the extent that any of the foregoing persons may act through an agent,—his authorized agent.

(4) Unless otherwise agreed the indorser by his indorsement assumes no obligation that the security will be honored by the issuer.

(5) An indorsement purporting to be only of part of a security representing units intended by the issuer to be separately transferable is effective to the extent of the indorsement.

(6) Whether the person signing is appropriate is determined as of the date of signing and an indorsement by such a person does

not become unauthorized for the purposes of this Article by virtue of any subsequent change of circumstances.

(7) Failure of a fiduciary to comply with a controlling instrument or with the law of the state having jurisdiction of the fiduciary relationship, including any law requiring the fiduciary to obtain court approval of the transfer, does not render his indorsement unauthorized for the purposes of this Article.

Section 8—309. *Effect of Indorsement Without Delivery.* An indorsement of a security whether special or in blank does not constitute a transfer until delivery of the security on which it appears or if the indorsement is on a separate document until delivery of both the document and the security.

Section 8—310. *Indorsement of Security in Bearer Form.* An indorsement of a security in bearer form may give notice of adverse claims (Section 8—304) but does not otherwise affect any right to registration the holder may possess.

Section 8—311. *Effect of Unauthorized Indorsement.* Unless the owner has ratified an unauthorized indorsement or is otherwise precluded from asserting its effectiveness

(a) he may assert its effectiveness against the issuer or any purchaser other than a purchaser for value and without notice of adverse claims who has in good faith received a new, reissued or re-registered security on registration of transfer; and

(b) an issuer who registers the transfer of a security upon the unauthorized indorsement is subject to liability for improper registration (Section 8—404).

Section 8—312. *Effect of Guaranteeing Signature or Indorsement.* (1) Any person guaranteeing a signature of an indorser of a security warrants that at the time of signing

(a) the signature was genuine; and

(b) the signer was an appropriate person to indorse (Section 8—308); and

(c) the signer had legal capacity to sign.

But the guarantor does not otherwise warrant the rightfulness of the particular transfer.

(2) Any person may guarantee an indorsement of a security and by so doing warrants not only the signature (subsection 1) but also the rightfulness of the particular transfer in all respects. But no issuer may require a guarantee of indorsement as a condition to registration of transfer.

(3) The foregoing warranties are made to any person taking or dealing with the security in reliance on the guarantee and the guarantor is liable to such person for any loss resulting from breach of the warranties.

Section 8—313. *When Delivery to the Purchaser Occurs; Purchaser's Broker as Holder.* (1) Delivery to a purchaser occurs when

(a) he or a person designated by him acquires possession of a security; or

(b) his broker acquires possession of a security specially indorsed to or issued in the name of the purchaser; or

(c) his broker sends him confirmation of the purchase and also by book entry or otherwise identifies a specific security in the broker's possession as belonging to the purchaser; or

(d) with respect to an identified security to be delivered while still in the possession of a third person when that person acknowledges that he holds for the purchaser.

(2) Except as specified in subparagraphs (b) and (c) of subsection (1) the purchaser is not the holder of securities held for him by his broker despite a confirmation of purchase and a book entry and other indication that the security is part of a fungible bulk held for customers and despite the customer's acquisition of a proportionate property interest in the fungible bulk.

Section 8—314. *Duty to Deliver, When Completed.* (1) Unless otherwise agreed where a sale of a security is made on an exchange or otherwise through brokers

(a) the selling customer fulfills his duty to deliver when he places such a security in the possession of the selling broker or of a person designated by the broker or if requested causes an acknowledgment to be made to the selling broker that it is held for him; and

(b) the selling broker including a correspondent broker acting for a selling customer fulfills his duty to deliver by placing the security or a like security in the possession of the buying broker or a person designated by him or by effecting clearance of the sale in accordance with the rules of the exchange on which the transaction took place.

(2) Except as otherwise provided in this section and unless otherwise agreed, a transferor's duty to deliver a security under a contract of purchase is not fulfilled until he places the security in form to be negotiated by the purchaser in the possession of the purchaser or of a person designated by him or at the purchaser's request causes an acknowledgment to be made to the purchaser that it is held for him. Unless made on an exchange a sale to a broker purchasing for his own account is within this subsection and not within subsection (1).

Section 8—315. *Action Against Purchaser Based Upon Wrongful Transfer.* (1) Any person against whom the transfer of a security is wrongful for any reason, including his incapacity, may against anyone except a bona fide purchaser reclaim possession of the security or obtain possession of any new security evidencing all or part of the same rights or have damages.

(2) If the transfer is wrongful because of an unauthorized indorsement, the owner may also reclaim or obtain possession of the security or new security even from a bona fide purchaser if the ineffectiveness of the purported indorsement can be asserted against him under the provisions of this Article on unauthorized indorsements (Section 8–311).

(3) The right to obtain or reclaim possession of a security may be specifically enforced and its transfer enjoined and the security impounded pending the litigation.

Section 8–316. *Purchaser's Right to Requisites for Registration of Transfer on Books.* Unless otherwise agreed the transferor must on due demand supply his purchaser with any proof of his authority to transfer or with any other requisite which may be necessary to obtain registration of the transfer of the security but if the transfer is not for value a transferor need not do so unless the purchaser furnishes the necessary expenses. Failure to comply with a demand made within a reasonable time gives the purchaser the right to reject or rescind the transfer.

Section 8–317. *Attachment or Levy Upon Security.* (1) No attachment or levy upon a security or any share or other interest evidenced thereby which is outstanding shall be valid until the security is actually seized by the officer making the attachment or levy but a security which has been surrendered to the issuer may be attached or levied upon at the source.

(2) A creditor whose debtor is the owner of a security shall be entitled to such aid from courts of appropriate jurisdiction, by injunction or otherwise, in reaching such security or in satisfying the claim by means thereof as is allowed at law or in equity in regard to property which cannot readily be attached or levied upon by ordinary legal process.

Section 8–318. *No Conversion by Good Faith Delivery.* An agent or bailee who in good faith (including observance of reasonable commercial standards if he is in the business of buying, selling or otherwise dealing with securities) has received securities and sold, pledged or delivered them according to the instructions of his principal is not liable for conversion although the principal had no right to dispose of them.

Section 8–319. *Statute of Frauds.* A contract for the sale of securities is not enforceable by way of action or defense unless

(a) there is some writing signed by the party against whom enforcement is sought or by his authorized agent or broker sufficient to indicate that a contract has been made for sale of a stated quantity of described securities at a defined or stated price; or

(b) delivery of the security has been accepted or payment has been made but the contract is enforceable under this provision only to the extent of such delivery or payment; or

(c) within a reasonable time a writing in confirmation of the sale or purchase and sufficient against the sender under paragraph (a) has been received by the party whom enforcement is sought and he has failed to send written objection to its contents within ten days after its receipt; or

(d) the party against whom enforcement is sought admits in his pleading, testimony or otherwise in court that a contract was made for sale of a stated quantity of described securities at a defined or stated price.

Part 4. Registration

Section 8—401. *Duty of Issuer to Register Transfer.* (1) Where a security in registered form is presented to the issuer with a request to register transfer, the issuer is under a duty to register the transfer as requested if

(a) the security is indorsed by the appropriate person or persons (Section 8—308); and

(b) reasonable assurance is given that those indorsements are genuine and effective (Section 8—402); and

(c) the issuer has no duty to inquire into adverse claims or has discharged any such duty (Section 8—403); and

(d) any applicable law relating to the collection of taxes has been complied with; and

(e) the transfer is in fact rightful or is to a bona fide purchaser.

(2) Where an issuer is under a duty to register a transfer of a security the issuer is also liable to the person presenting it for registration or his principal for loss resulting from any unreasonable delay in registration or from failure or refusal to register the transfer.

Section 8—402. *Assurance That Indorsements Are Effective.* (1) The issuer may require the following assurance that each necessary indorsement is genuine and effective

(a) in all cases, a guarantee of the signature (subsection (1) of Section 8—312) of the person indorsing; and

(b) where the indorsement is by an agent, appropriate assurance of authority to sign;

(c) where the indorsement is by fiduciary, an appropriate certificate of appointment or incumbency dated within sixty days before the date of presentation for transfer;

(d) where there is more than one fiduciary, reasonable assurance that all who are required to sign have done so;

(e) where the indorsement is by a person not covered by any of the foregoing, assurance appropriate to the case corresponding as nearly as may be to the foregoing.

(2) A "guarantee of the signature" in subsection (1) means a guarantee signed by or on behalf of a person reasonably believed by the issuer to be responsible. The issuer may adopt standards with respect to responsibility provided such standards are not manifestly unreasonable.

(3) "An appropriate certificate of appointment or incumbency" in subsection (1) means

(a) in the case of a fiduciary appointed or qualified by a court, a certificate issued by or under the direction or supervision of that court; and

(b) otherwise, a certificate issued by or on behalf of a person reasonably believed by the issuer to be qualified so to certify. The issuer may adopt standards with respect to qualification provided such standards are not manifestly unreasonable.

(4) If the issuer has notice that the transfer may be wrongful, it may require reasonable assurance beyond that specified in this section. But if an issuer elects to investigate the requested transfer and both requires and obtains a copy of a will, trust, indenture, articles of co-partnership, by-laws or other controlling instrument it is put on notice of all matters contained therein affecting the transfer.

Section 8—403. *Limited Duty of Inquiry.* (1) An issuer to whom a security is presented for registration is under a duty to inquire into adverse claims if

(a) a notification of an adverse claim is received at a time and in a manner which affords the issuer a reasonable opportunity to act on it prior to the issuance of a new, reissued or re-registered security; or

(b) the issuer has notice of an adverse claim by electing to require a controlling instrument as provided in the last subsection of the preceding section.

(2) The issuer may discharge any duty of inquiry by any reasonable means, including notifying an adverse claimant by registered or certified mail at the address furnished by him or if there be no such address at his residence or regular place of business that the security has been presented for registration of transfer by a named person, and that the transfer will be registered unless within thirty days from the date of mailing the notification, either

(a) an appropriate restraining order, injunction or other process issues from a court of competent jurisdiction; or

(b) an indemnity bond sufficient in the issuer's judgment to protect the issuer and any transfer agent, registrar or other agent of the issuer involved, from any loss which it or they may suffer by complying with the adverse claim is filed with the issuer.

(3) Except to the extent that an issuer has notice by electing to require a controlling instrument as provided in the last subsection of the preceding section or receives notification of an adverse claim under subsection (1) of this section, where a security presented for registration is indorsed by the appropriate person or persons the issuer is under no duty to inquire into adverse claims. In particular

(a) an issuer registering a security in the name of a fiduciary is not bound to inquire into the existence, extent, or correct description of the fiduciary relationship.

(b) an issuer registering transfer on an indorsement by a fiduciary is not bound to inquire whether the transfer is made in compliance with a controlling instrument or with the law of the state having jurisdiction of the fiduciary relationship, including any law requiring the fiduciary to obtain court approval of the transfer; and

(c) the issuer is not charged with notice of the contents of any court record or file or other recorded or unrecorded document even though the document is in its possession and even though the transfer is made on the indorsement of a fiduciary to the fiduciary himself or to his nominee.

Section 8—404. *Liability and Non-Liability for Registration.* (1) Except as otherwise provided in any law relating to the collection of taxes, the issuer is not liable to the owner or any other person suffering loss as a result of the registration of a transfer of a security if

(a) there were on or with the security the necessary indorsements (Section 8—308); and

(b) the issuer had no duty to inquire into adverse claims or has discharged any such duty (Section 8—403).

(2) Where an issuer has registered a transfer of a security to a person not entitled to it the issuer on demand must deliver a like security to the true owner unless

(a) the registration was pursuant to subsection (1); or

(b) the owner is precluded from asserting any claim for registering the transfer under subsection (1) of the following section; or

(c) such delivery would result in overissue, in which case the issuer's liability is governed by Section 8—104.

Section 8—405. *Lost, Destroyed and Stolen Securities.* (1) Where a security has been lost, apparently destroyed or wrongfully taken and the owner fails to notify the issuer of that fact within a reasonable time after he has notice of it and the issuer registers a transfer of the security before receiving such a notification, the owner is precluded from asserting against the issuer any claim for registering the transfer under the preceding section or any claim to a new security under this section.

(2) Where the owner of a security claims that the security has been lost, destroyed or wrongfully taken, the issuer must issue a new security in place of the original security if the owner

(a) so requests before the issuer has notice that the security has been acquired by a bona fide purchaser; and
(b) files with the issuer a sufficient indemnity bond; and
(c) satisfies any other reasonable requirements imposed by the issuer.

(3) If, after the issue of the new security, a bona fide purchaser of the original security presents it for registration of transfer, the issuer must register the transfer unless registration would result in overissue, in which event the issuer's liability is governed by Section 8—104. In addition to any rights on the indemnity bond, the issuer may recover the new security from the person to whom it was issued or any person taking under him except a bona fide purchaser.

Section 8—406. *Duty of Authenticating Trustee, Transfer Agent or Registrar.* (1) Where a person acts as authenticating trustee, transfer agent, registrar, or other agent for an issuer in the registration of transfers of its securities or in the issue of new securities or in the cancellation of surrendered securities

(a) he is under a duty to the issuer to exercise good faith and due diligence in performing his functions; and
(b) he has with regard to the particular functions he performs the same obligation to the holder or owner of the security and has the same rights and privileges as the issuer has in regard to those functions.

(2) Notice to an authenticating trustee, transfer agent, registrar or other such agent is notice to the issuer with respect to the functions performed by the agent.

ARTICLE 9
SECURED TRANSACTIONS; SALES OF ACCOUNTS, CONTRACT RIGHTS AND CHATTEL PAPER

Part 1. Short Title, Applicability and Definitions

Section 9—101. *Short Title.* This Article shall be known and may be cited as Uniform Commercial Code—Secured Transactions.

Section 9—102. *Policy and Scope of Article.* (1) Except as otherwise provided in Section 9—103 on multiple state transactions and in Section 9—104 on excluded transactions, this Article applies so far as concerns any personal property and fixtures within the jurisdiction of this State

(a) to any transaction (regardless of its form) which is intended to create a security interest in personal property or fixtures including goods, documents, instruments, general intangibles, chattel paper, accounts or contract rights; and also

(b) to any sale of accounts, contract rights or chattel paper.

(2) This Article applies to security interests created by contract including pledge, assignment, chattel mortgage, chattel trust, trust deed, factor's lien, equipment trust, conditional sale, trust receipt, other lien or title retention contract and lease or consignment intended as security. This Article does not apply to statutory liens except as provided in Section 9–310.

(3) The application of this Article to a security interest in a secured obligation is not affected by the fact that the obligation is itself secured by a transaction or interest to which this Article does not apply.

Section 9–103. *Accounts, Contract Rights, General Intangibles and Equipment Relating to Another Jurisdiction; and Incoming Goods Already Subject to a Security Interest.* (1) If the office where the assignor of accounts or contract rights keeps his records concerning them is in this state, the validity and perfection of a security interest therein and the possibility and effect of proper filing is governed by this Article; otherwise by the law (including the conflict of laws rules) of the jurisdiction where such office is located.

(2) If the chief place of business of a debtor is in this state, this Article governs the validity and perfection of a security interest and the possibility and effect of proper filing with regard to general intangibles or with regard to goods of a type which are normally used in more than one jurisdiction (such as automotive equipment, rolling stock, airplanes, road building equipment, commercial harvesting equipment, construction machinery and the like) if such goods are classified as equipment or classified as inventory by reason of their being leased by the debtor to others. Otherwise, the law (including the conflict of laws rules) of the jurisdiction where such chief place of business is located shall govern. If the chief place of business is located in a jurisdiction which does not provide for perfection of the security interest by filing or recording in that jurisdiction, then the security interest may be perfected by filing in this state.

(3) If personal property other than that governed by subsections (1) and (2) is already subject to a security interest when it is brought into this state, the validity of the security interest in this state is to be determined by the law (including the conflict of laws rules) of the jurisdiction where the property was when the security interest attached. However, if the parties to the transaction understood at the time that the security interest attached that the property would be kept in this state and it was brought into this state within 30 days

after the security interest attached for purposes other than transportation through this state, then the validity of the security interest in this state is to be determined by the law of this state. If the security interest was already perfected under the law of the jurisdiction where the property was when the security interest attached and before being brought into this state, the security interest continues perfected in this state for four months and also thereafter if within the four month period it is perfected in this state. The security interest may also be perfected in this state after the expiration of the four month period; in such case perfection dates from the time of perfection in this state. If the security interest was not perfected under the law of the jurisdiction where the property was when the security interest attached and before being brought into this state, it may be perfected in this state; in such case perfection dates from the time of perfection in this state.

(4) Notwithstanding subsections (2) and (3), if personal property is covered by a certificate of title issued under a statute of this state or any other jurisdiction which requires indication on a certificate of title of any security interest in the property as a condition of perfection, then the perfection is governed by the law of the jurisdiction which issued the certificate.

Section 9—104. *Transactions Excluded From Article.* This Article does not apply

(a) to a security interest subject to any statute of the United States such as the Ship Mortgage Act, 1920, to the extent that such statute governs the rights of parties to and third parties affected by transactions in particular types of property; or

(b) to a landlord's lien; or

(c) to a lien given by statute or other rule of law for services or materials except as provided in Section 9—310 on priority of such liens; or

(d) to a transfer of a claim for wages, salary or other compensation of an employee; or

(e) to an equipment trust covering railway rolling stock; or

(f) to a sale of accounts, contract rights or chattel paper as part of a sale of the business out of which they arose, or an assignment of accounts, contract rights or chattel paper which is for the purpose of collection only, or a transfer of a contract right to an assignee who is also to do the performance under the contract; or

(g) to a transfer of an interest or claim in or under any policy of insurance; or

(h) to a right represented by a judgment; or

(i) to any right of set-off; or

(j) except to the extent that provision is made for fixtures in Section 9–313, to the creation or transfer of an interest in or lien on real estate, including a lease or rents thereunder; or

(k) to a transfer in whole or in part of any of the following: any claim arising out of tort; any deposit, savings, passbook or like account maintained with a bank, savings and loan association, credit union or like organization.

Section 9–105. *Definitions and Index of Definitions.* (1) In this Article unless the context otherwise requires:

(a) "Account debtor" means the person who is obligated on an account, chattel paper, contract right or general intangible;

(b) "Chattel paper" means a writing or writings which evidence both a monetary obligation and a security interest in or a lease of specific goods. When a transaction is evidenced both by such a security agreement or a lease and by an instrument or a series of instruments, the group of writings taken together constitutes chattel paper;

(c) "Collateral" means the property subject to a security interest, and includes accounts, contracts rights and chattel paper which have been sold;

(d) "Debtor" means the person who owes payment or other performance of the obligation secured, whether or not he owns or has rights in the collateral, and includes the seller of accounts, contract rights or chattel paper. Where the debtor and the owner of the collateral are not the same person, the term "debtor" means the owner of the collateral in any provision of the Article dealing with the collateral, the obligor in any provision dealing with the obligation, and may include both where the context so requires;

(e) "Document" means document of title as defined in the general definitions of Article 1 (Section 1–201);

(f) "Goods" includes all things which are movable at the time the security interest attaches or which are fixtures (Section 9–313), but does not include money, documents, instruments, accounts, chattel paper, general intangibles, contract rights and other things in action. "Goods" also include the unborn young of animals and growing crops;

(g) "Instrument" means a negotiable instrument (defined in Section 3–104), or a security (defined in Section 8–102) or any other writing which evidences a right to the payment of money and is not itself a security agreement or lease and is of a type which is in ordinary course of business transferred by delivery with any necessary indorsement or assignment;

(h) “Security agreement” means an agreement which creates or provides for a security interest;

(i) “Secured party” means a lender, seller or other person in whose favor there is a security interest, including a person to whom accounts, contract rights or chattel paper have been sold. When the holders of obligations issued under an indenture of trust, equipment trust agreement or the like are represented by a trustee or other person, the representative is the secured party.

(2) Other definitions applying to this Article and the sections in which they appear are:

“Account”.	Section 9—106.
“Consumer goods”.	Section 9—109(1).
“Contract right”.	Section 9—106.
“Equipment”.	Section 9—109(2).
“Farm products”.	Section 9—109(3).
“General intangibles”.	Section 9—106.
“Inventory”.	Section 9—109(4).
“Lien creditor”.	Section 9—301(3).
“Proceeds”.	Section 9—306(1).
“Purchase money security interest”.	Section 9—107.
“Account”.	Section 9—106.

(3) The following definitions in other Articles apply to this Article:

“Check”.	Section 3—104.
“Contract for sale”.	Section 2—106.
“Holder in due course”.	Section 3—302.
“Note”.	Section 3—104.
“Sale”.	Section 2—106.

(4) In addition Article 1 contains general definitions and principles of construction and interpretation applicable throughout this Article.

Section 9—106. *Definitions: “Account”; “Contract Right”; “General Intangibles”.* “Account” means any right to payment for goods sold or leased or for services rendered which is not evidenced by an instrument or chattel paper. “Contract right” means any right to payment under a contract not yet earned by performance and not evidenced by an instrument or chattel paper. “General intangibles” means any personal property (including things in action) other than goods, accounts, contract rights, chattel paper, documents and instruments.

Section 9—107. *Definitions: "Purchase Money Security Interest".* A security interest is a "purchase money security interest" to the extent that it is

(a) taken or retained by the seller of the collateral to secure all or part of its price; or

(b) taken by a person who by making advances or incurring an obligation gives value to enable the debtor to acquire rights in or the use of collateral if such value is in fact so used.

Section 9—108. *When After-Acquired Collateral Not Security for Antecedent Debt.* Where a secured party makes an advance, incurs an obligation, releases a perfected security interest, or otherwise gives new value which is to be secured in whole or in part by after-acquired property his security interest in the after-acquired collateral shall be deemed to be taken for new value and not as security for an antecedent debt if the debtor acquires his rights in such collateral either in the ordinary course of his business or under a contract of purchase made pursuant to the security agreement within a reasonable time after new value is given.

Section 9—109. *Classification of Goods; "Consumer Goods"; "Equipment"; "Farm Products"; "Inventory".* Goods are

(1) "consumer goods" if they are used or bought for use primarily for personal, family or household purposes;

(2) "equipment' if they are used or bought for use primarily in business (including farming or a profession) or by a debtor who is a non-profit organization or a governmental subdivision or agency or if the goods are not included in the definitions of inventory, farm products or consumer goods;

(3) "farm products" if they are crops or livestock used or produced in farming operations or if they are products of crops or livestock in their unmanufactured states (such as ginned cotton, wool-clip, maple syrup, milk and eggs), and if they are in the possession of a debtor engaged in raising, fattening, grazing or other farming operations. If goods are farm products they are neither equipment nor inventory;

(4) "inventory" if they are held by a person who holds them for sale or lease or to be furnished under contracts of service or if he has so furnished them, or if they are raw materials, work in process or materials used or consumed in a business. Inventory of a person is not to be classified as his equipment.

Section 9—110. *Sufficiency of Description.* For the purposes of this Article any description of personal property or real estate is sufficient whether or not it is specific if it reasonably identifies what is described.

Section 9—111. *Applicability of Bulk Transfer Laws.* The creation of a security interest is not a bulk transfer under Article 6 (see Section 6—103).

Section 9—112. *Where Collateral Is Not Owned by Debtor.* Unless otherwise agreed, when a secured party knows that collateral is owned by a person who is not the debtor, the owner of the collateral is entitled to receive from the secured party any surplus under Section 9—502(2) or under Section 9—504(1) and is not liable for the debt or for any deficiency after resale, and he has the same right as the debtor

(a) to receive statements under Section 9—208;

(b) to receive notice of and to object to a secured party's proposal to retain the collateral in satisfaction of the indebtedness under Section 9—505;

(c) to redeem the collateral under Section 9—506;

(d) to obtain injunctive or other relief under Section 9—507(1); and

(e) to recover losses caused to him under Section 9—208(2).

Section 9—113. *Security Interests Arising Under Article on Sales.* A security interest arising solely under the Article on Sales (Article 2) is subject to the provisions of this Article except that to the extent that and so long as the debtor does not have or does not lawfully obtain possession of the goods

(a) no security agreement is necessary to make the security interest enforceable; and

(b) no filing is required to perfect the security interest; and

(c) the rights of the secured party on default by the debtor are governed by the Article on Sales (Article 2).

Part 2. Validity of Security Agreement and Rights of Parties Thereto

Section 9—201. *General Validity of Security Agreement.* Except as otherwise provided by this Act a security agreement is effective according to its terms between the parties, against purchasers of the collateral and against creditors. Nothing in this Article validates any charge or practice illegal under any statute or regulation thereunder governing usury, small loans, retail installment sales, or the like, or extends the application of any such statute or regulation to any transaction not otherwise subject thereto.

Section 9—202. *Title to Collateral Immaterial.* Each provision of this Article with regard to rights, obligations and remedies applies whether title to collateral is in the secured party or in the debtor.

Section 9—203. *Enforceability of Secured Interest; Proceeds, Formal Requisites.* (1) Subject to the provisions of Section 4—208 on the security interest of a collecting bank and Section 9—113 on a security interest arising under the Article on Sales, a security interest is not enforceable against the debtor or third parties unless

(a) the collateral is in the possession of the secured party; or

(b) the debtor has signed a security agreement which contains a description of the collateral and in addition, when the security interest covers crops or oil, gas or minerals to be extracted or timber to be cut, a description of the land concerned. In describing collateral, the word "proceeds" is sufficient without further description to cover proceeds of any character.

(2) A transaction, although subject to this Article, is also subject to KRS Chapters 190, 226, 287, 288, 290, 291, 359 and 360, and in the case of conflict between the provisions of this Article and any such statute, the provisions of such statute control. Failure to comply with any applicable statute has only the effect which is specified therein.

Section 9—204. *When Security Interest Attaches; After-Acquired Property; Future Advances.* (1) A security interest cannot attach until there is agreement (subsection (3) of Section 1—201) that it attach and value is given and the debtor has rights in the collateral. It attaches as soon as all of the events in the preceding sentence have taken place unless explicit agreement postpones the time of attaching.

(2) For the purposes of this section the debtor has no rights

(a) in crops until they are planted or otherwise become growing crops, in the young of livestock until they conceived;

(b) in fish until caught, in oil, gas or minerals until they are extracted, in timber until it is cut;

(c) in a contract right until the contract has been made;

(d) in an account until it comes into existence.

(3) Except as provided in subsection (4) a security agreement may provide that collateral, whenever acquired, shall secure all obligations covered by the security agreement.

(4) No security interest attaches under an after-acquired property clause

(a) to crops which become such more than one year after the security agreement is executed except that a security interest in crops which is given in conjunction with a lease or a land purchase or improvement transaction evidenced by a contract, mortgage or deed of trust may if so agreed attach to crops to be grown on the land concerned during the period of such real estate transaction;

(b) to consumer goods other than accessions (Section 9–314) when given as additional security unless the debtor acquires rights in them within ten days after the secured party gives value.

(5) Obligations covered by a security agreement may include future advances or other value whether or not the advances or value are given pursuant to commitment.

Section 9–205. *Use or Disposition of Collateral Without Accounting Permissible.* A security interest is not invalid or fraudulent against creditors by reason of liberty in the debtor to use, commingle or dispose of all or part of the collateral (including returned or repossessed goods) or to collect or compromise accounts, contract rights or chattel paper, or to accept the return of goods or make repossessions, or to use, commingle or dispose of proceeds, or by reason of the failure of the secured party to require the debtor to account for proceeds or replace collateral. This section does not relax the requirements of possession where perfection of a security interest depends upon possession of the collateral by the secured party or by a bailee.

Section 9–206. *Agreement Not to Assert Defenses Against Assignee; Modification of Sales Warranties Where Security Agreement Exists.* (1) Subject to any statute or decision which establishes a different rule for buyers of consumer goods, an agreement by a buyer that he will not assert against an assignee any claim or defense which he may have against the seller is enforceable by an assignee who takes his assignment for value, in good faith and without notice of a claim or defense, except as to defenses of a type which may be asserted against a holder in due course of a negotiable instrument under the Article on Commercial Paper (Article 3). A buyer who as part of one transaction signs both a negotiable instrument and a security agreement makes such an agreement.

(2) When a seller retains a purchase money security interest in goods the Article on Sales (Article 2) governs the sale and any disclaimer, limitation or modification of the seller's warranties.

Section 9–207. *Rights and Duties When Collateral Is in Secured Party's Possession.* (1) A secured party must use reasonable care in the custody and preservation of collateral in his possession. In the case of an instrument or chattel paper reasonable care includes taking necessary steps to preserve rights against prior parties unless otherwise agreed.

(2) Unless otherwise agreed, and subject to the provisions of Part 5 after default, when collateral is in the secured party's possession

(a) reasonable expenses (including the cost of any insurance and payment of taxes or other charges) incurred in the custody and preservation of the collateral are chargeable to the debtor and are secured by the collateral;

(b) the risk of accidental loss or damage is on the debtor to the extent of any deficiency in any effective insurance coverage;

(c) the secured party may hold as additional security any increase or profits (except money) received from the collateral, but money so received, unless remitted to the debtor, shall be applied in reduction of the secured obligation;

(d) the secured party must keep the collateral identifiable but fungible collateral may be commingled;

(e) the secured party may not make any use of the collateral except in the exercise of his duty of custody and preservation, but may repledge it upon terms which do not impair the debtor's right to redeem it.

(3) A secured party is liable for any loss caused by his failure to meet any obligation imposed by the preceding subsections but does not lose his security interest.

Section 9—208. *Request for Statement of Account or List of Collateral.* (1) A debtor may sign a statement indicating what he believes to be the aggregate amount of unpaid indebtedness as of a specified date and may send it to the secured party with a request that the statement be approved or corrected and returned to the debtor. When the security agreement or any other record kept by the secured party identifies the collateral a debtor may similarly request the secured party to approve or correct a list of the collateral.

(2) The secured party must comply with such a request within two weeks after receipt by sending a written correction or approval. If the secured party claims a security interest in all of a particular type of collateral owned by the debtor he may indicate that fact in his reply and need not approve or correct an itemized list of such collateral. If the secured party without reasonable excuse fails to comply he is liable for any loss caused to the debtor thereby; and if the debtor has properly included in his request a good faith statement of the obligation or a list of the collateral or both the secured party may claim a security interest only as shown in the statement against persons misled by his failure to comply. If he no longer has an interest in the obligation or collateral at the time the request is received he must disclose the name and address of any successor in interest known to him and he is liable for any loss caused to the debtor as a result of failure to disclose. A successor in interest is not subject to this section until a request is received by him.

(3) A debtor is entitled to such a statement once every six months without charge. The secured party may require payment of a charge not exceeding $10 for each additional statement furnished.

Part 3. Rights of Third Parties; Perfected and Unperfected Security Interests; Rules of Priority

Section 9–301. *Persons Who Take Priority Over Unperfected Security Interests; "Lien Creditor".* (1) Except as otherwise provided in subsection (2), an unperfected security interest is subordinate to the rights of

(a) persons entitled to priority under Section 9–312;

(b) a person who becomes a lien creditor without knowledge of the security interest and before it is perfected;

(c) in the case of goods, instruments, documents, and chattel paper, a person who is not a secured party and who is a transferee in bulk or other buyer not in ordinary course of business to the extent that he gives value and receives delivery of the collateral without knowledge of the security interest and before it is perfected;

(d) in the case of accounts, contract rights, and general intangibles, a person who is not a secured party and who is a transferee to the extent that he gives value without knowledge of the security interest and before it is perfected.

(2) If the secured party files with respect to a purchase money security interest before or within ten days after he gives value, he takes priority over the rights of a transferee in bulk or of a lien creditor which arise between the time the security interest attaches and the time of filing.

(3) A "lien creditor" means a creditor who has acquired a lien on the property involved by attachment, levy or the like and includes an assignee for benefit of creditors from the time of assignment, and a trustee in bankruptcy from the date of the filing of the petition or a receiver in equity from the time of appointment. Unless all the creditors represented had knowledge of the security interest such a representative of creditors is a lien creditor without knowledge even though he personally has knowledge of the security interest.

Section 9–302. *When Filing Is Required to Perfect Security Interest; Security Interests to Which Filing Provisions of This Article Do Not Apply.* (1) A financing statement must be filed to perfect all security interests except the following:

(a) a security interest in collateral in possession of the secured party under Section 9–305;

(b) a security interest temporarily perfected in instruments or documents without delivery under Section 9–304 or in proceeds for a 10 days period under Section 9–306;

(c) a purchase money security interest in farm equipment having a purchase price not in excess of $2500; but filing is required for a fixture under Section 9–313 or for a motor vehicle required to be licensed;

(d) a purchase money security interest in consumer goods; but filing is required for a fixture under Section 9—313 or for a motor vehicle required to be licensed;

(e) an assignment of accounts or contract rights which does not alone or in conjunction with other assignments to the same assignee transfer a significant part of the outstanding accounts or contract rights of the assignor;

(f) a security interest of a collecting bank (Section 4—208) or arising under the Article on Sales (see Section 9—113) or covered in subsection (3) of this section.

(2) If a secured party assigns a perfected security interest, no filing under this Article is required in order to continue the perfected status of the security interest against creditors of and transferees from the original debtor.

(3) The filing provisions of this Article do not apply to a security interest in property subject to a statute

(a) of the United States which provides for a national registration or filing of all security interests in such property; or

(b) of this state which provides for central filing of, or which requires indication on a certificate of title of, such security interests in such property.

(4) A security interest in property covered by a statute described in subsection (3) can be perfected only by registration or filing under that statute or by indication of the security interest on a certificate of title or a duplicate thereof by a public official.

Section 9—303. *When Security Interest Is Perfected; Continuity of Perfection.* (1) A security interest is perfected when it has attached and when all of the applicable steps required for perfection have been taken. Such steps are specified in Sections 9—302, 9—304, 9—305 and 9—306. If such steps are taken before the security interest attaches, it is perfected at the time when it attaches.

(2) If a security interest is originally perfected in any way permitted under this Article and is subsequently perfected in some other way under this Article, without an intermediate period when it was unperfected, the security interest shall be deemed to be perfected continuously for the purposes of this Article.

Section 9—304. *Perfection of Security Interest in Instruments, Documents, and Goods Covered by Documents; Perfection by Permissive Filing; Temporary Perfection Without Filing or Transfer of Possession.* (1) A security interest in chattel paper or negotiable documents may be perfected by filing. A security interest in instruments (other than instruments which constitute part of chattel paper) can be perfected only by the secured party's taking possession, except as provided in subsections (4) and (5).

(2) During the period that goods are in possession of the issuer of a negotiable document therefor, a security interest in the goods is perfected by perfecting a security interest in the document, and any security interest in the goods otherwise perfected during such period is subject thereto.

(3) A security interest in goods in the possession of a bailee other than one who has issued a negotiable document therefor is perfected by issuance of a document in the name of the secured party or by the bailee's receipt of notification of the secured party's interest or by filing as to the goods.

(4) A security interest in instruments or negotiable documents is perfected without filing or the taking of possession for a period of 21 days from the time it attaches to the extent that it arises for new value given under a written security agreement.

(5) A security interest remains perfected for a period of 21 days without filing where a secured party having a perfected security interest in an instrument, a negotiable document or goods in possession of a bailee other than one who has issued a negotiable document therefor

(a) makes available to the debtor the goods or documents representing the goods for the purpose of ultimate sale or exchange or for the purpose of loading, unloading, storing, shipping, transshipping, manufacturing, processing or otherwise dealing with them in a manner preliminary to their sale or exchange; or

(b) delivers the instrument to the debtor for the purpose of ultimate sale or exchange or of presentation, collection, renewal or registration of transfer.

(6) After the 21 day period in subsections (4) and (5) perfection depends upon compliance with applicable provisions of this Article.

Section 9—305. *When Possession by Secured Party Perfects Security Interest Without Filing.* A security interest in letters of credit and advices of credit (subsection (2) (a) of Section 5—116), goods, instruments, negotiable documents or chattel paper may be perfected by the secured party's taking possession of the collateral. If such collateral other than goods covered by a negotiable document is held by a bailee, the secured party is deemed to have possession from the time the bailee receives notification of the secured party's interest. A security interest is perfected by possession from the time possession is taken without relation back and continues only so long as possession is retained, unless otherwise specified in this Article. The security interest may be otherwise perfected as provided in this Article before or after the period of possession by the secured party.

Section 9—306. *"Proceeds"; Secured Party's Rights on Disposition of Collateral.* (1) "Proceeds" includes whatever is received when collateral or proceeds is sold, exchanged, collected or otherwise disposed of. The term also includes the account arising when the right to payment is earned under a contract right. Money, checks and the like are "cash proceeds." All other proceeds are "non-cash proceeds."

(2) Except where this Article otherwise provides, a security interest continues in collateral notwithstanding sale, exchange or other disposition thereof by the debtor unless his action was authorized by the secured party in the security agreement or otherwise, and also continues in any identifiable proceeds including collections received by the debtor.

(3) The security interest in proceeds is a continuously perfected security interest if the interest in the original collateral was perfected but it ceases to be a perfected security interest and becomes unperfected ten days after receipt of the proceeds by the debtor unless

(a) a filed financing statement covering the original collateral also covers proceeds; or

(b) the security interest in the proceeds is perfected before the expiration of the ten day period.

(4) In the event of insolvency proceedings instituted by or against a debtor, a secured party with a perfected security interest in proceeds has a perfected security interest

(a) in identifiable non-cash proceeds;

(b) in identifiable cash proceeds in the form of money which is not commingled with other money or deposited in a bank account prior to the insolvency proceedings;

(c) in identifiable cash proceeds in the form of checks and the like which are not deposited in a bank account prior to the insolvency proceedings; and

(d) in all cash and bank accounts of the debtor, if other cash proceeds have been commingled or deposited in a bank account, but the perfected security interest under this paragraph (d) is

(i) subject to any right of set-off; and

(ii) limited to an amount not greater than the amount of any cash proceeds received by the debtor within ten days before the institution of the insolvency proceedings and commingled or deposited in a bank account prior to the insolvency proceedings less the amount of cash proceeds received by the debtor and paid over to the secured party during the ten day period.

(5) If a sale of goods results in an account or chattel paper which is transferred by the seller to a secured party, and if the goods are returned to or are repossessed by the seller or the secured party, the following rules determine priorities:

(a) If the goods were collateral at the time of sale for an indebtedness of the seller which is still unpaid, the original security interest attaches again to the goods and continues as a perfected security interest if it was perfected at the time when the goods were sold. If the security interest was originally perfected by a filing which is still effective, nothing further is required to continue the perfected status; in any other case, the secured party must take possession of the returned or repossessed goods or must file.

(b) An unpaid transferee of the chattel paper has a security interest in the goods against the transferor. Such security interest is prior to a security interest asserted under paragraph (a) to the extent that the transferee of the chattel paper was entitled to priority under Section 9–308.

(c) An unpaid transferee of the account has a security interest in the goods against the transferor. Such security interest is subordinate to a security interest asserted under paragraph (a).

(d) A security interest of an unpaid transferee asserted under paragraph (b) or (c) must be perfected for protection against creditors of the transferor and purchasers of the returned or repossessed goods.

Section 9–307. *Protection of Buyers of Goods.* (1) A buyer in ordinary course of business (subsection (9) of Section 1–201) other than a person buying farm products from a person engaged in farming operations takes free of a security interest created by his seller even though the security interest is perfected and even though the buyer knows of its existence.

(2) In the case of consumer goods and in the case of farm equipment having an original purchase price not in excess of $2500 (other than fixtures, see Section 9–313), a buyer takes free of a security interest even though perfected if he buys without knowledge of the security interest, for value and for his own personal, family or household purposes or his own farming operations unless prior to the purchase the secured party has filed a financing statement covering such goods.

Section 9–308. *Purchase of Chattel Paper and Non-Negotiable Instruments.* A purchaser of chattel paper or a non-negotiable instrument who gives new value and takes possession of it in the ordinary course of his business and without knowledge that the specific paper or instrument is subject to a security interest has priority over a security interest which is perfected under Section 9–304 (permissive filing and temporary perfection). A purchaser of chattel paper who gives new value and takes possession of it in the ordinary course of his business has priority over a security interest in chattel paper which is claimed merely as proceeds of inventory subject to a security interest (Section 9—306), even though he knows that the specific paper is subject to the security interest.

Section 9—309. *Protection of Purchasers of Instruments and Documents.* Nothing in this Article limits the rights of a holder in due course of a negotiable instrument (Section 3—302) or a holder to whom a negotiable document of title has been duly negotiated (Section 7—501) or a bona fide purchaser of a security (Section 8—301) and such holders or purchasers take priority over an earlier security interest even though perfected. Filing under this Article does not constitute notice of the security interest to such holders or purchasers.

Section 9—310. *Priority of Certain Liens Arising by Operation of Law.* When a person in the ordinary course of his business furnishes services or materials with respect to goods subject to a security interest, a lien upon goods in the possession of such person given by statute or rule of law for such materials or services takes priority over a perfected security interest unless the lien is statutory and the statute expressly provides otherwise.

Section 9—311. *Alienability of Debtor's Rights: Judicial Process.* The debtor's rights in collateral may be voluntarily or involuntarily transferred (by way of sale, creation of a security interest, attachment, levy, garnishment or other judicial process) notwithstanding a provision in the security agreement prohibiting any transfer or making the transfer constitute a default.

Section 9—312. *Priorities Among Conflicting Security Interests in the Same Collateral.* (1) The rules of priority stated in the following sections shall govern where applicable: Section 4—208 with respect to the security interest of collecting banks in items being collected, accompanying documents and proceeds; Section 9—301 on certain priorities; Section 9—304 on goods covered by documents; Section 9—306 on proceeds and repossessions; Section 9—307 on buyers of goods; Section 9—308 on possessory against non-possessory interests in chattel paper or non-negotiable instruments; Section 9—309 on security interests in negotiable instruments, documents or securities; Section 9—310 on priorities between perfected security interests and liens by operation of law; Section 9—313 on security interests in fixtures as against interests in real estate; Section 9—314 on security interests in accessions as against interests in goods; Section 9—315 on conflicting security interests where goods lose their identity or become part of a product; and Section 9—316 on contractual subordination.

(2) A perfected security interest in crops for new value given to enable the debtor to produce the crops during the production

season and given not more than three months before the crops become growing crops by planting or otherwise takes priority over an earlier perfected security interest to the extent that such earlier interest secures obligations due more than six months before the crops become growing crops by planting or otherwise, even though the person giving new value had knowledge of the earlier security interest.

(3) A purchase money security interest in inventory collateral has priority over a conflicting security interest in the same collateral if

- (a) the purchase money security interest is perfected at the time the debtor receives possession of the collateral; and
- (b) any secured party whose security interest is known to the holder of the purchase money security interest or who has previously filed a financing statement covering the same items or type of inventory has received notification of the purchase money security interest before the debtor receives possession of the collateral covered by the purchase money security interest; and
- (c) such notification states that the person giving the notice has or expects to acquire a purchase money security interest in inventory of the debtor, describing such inventory by item or type.

(4) A purchase money security interest in collateral other than inventory has priority over a conflicting security interest in the same collateral if the purchase money security interest is perfected at the time the debtor receives possession of the collateral.

(5) In all cases not governed by other rules stated in this section, priority between conflicting security interests in the same collateral shall be determined as follows:

- (a) in the order of filing if both are perfected by filing, regardless of which security interest attached first under Section 9–204(1) and whether it attached before or after filing;
- (b) in the order of perfection unless both are perfected by filing, regardless of which security interest attached first under Section 9–204(1) and, in the case of a filed security interest, whether it attached before or after filing; and
- (c) in the order of attachment under Section 9–204(1) so long as neither is perfected.

(6) For the purpose of the priority rules of the immediately preceding subsection, a continuously perfected security interest shall be treated at all times as if perfected by filing if it was originally

so perfected and it shall be treated at all times as if perfected otherwise than by filing if it was originally perfected otherwise than by filing.

Section 9–313. *Priority of Security Interests in Fixtures.* (1) The rules of this section do not apply to goods incorporated into a structure in the manner of lumber, bricks, tile, cement, glass, metal work and the like and no security interest in them exists under this Article unless the structure remains personal property under applicable law. The law of this state other than this Act determines whether and when other goods become fixtures. This Act does not prevent creation of an encumbrance upon fixtures or real estate pursuant to the law applicable to real estate.

(2) A security interest which attaches to goods before they become fixtures takes priority as to the goods over the claims of all persons who have an interest in the real estate except as stated in subsection (4).

(3) A security interest which attaches to goods after they become fixtures is valid against all persons subsequently acquiring interests in the real estate except as stated in subsection (4) but is invalid against any person with an interest in the real estate at the time the security interest attaches to the goods who has not in writing consented to the security interest or disclaimed an interest in the goods as fixtures.

(4) The security interests described in subsections (2) and (3) do not take priority over

(a) a subsequent purchaser for value of any interest in the real estate; or

(b) a creditor with a lien on the real estate subsequently obtained by judicial proceedings; or

(c) a creditor with a prior encumbrance of record on the real estate to the extent that he makes subsequent advances

if the subsequent purchase is made, the lien by judicial proceedings is obtained, or the subsequent advance under the prior encumbrance is made or contracted for without knowledge of the security interest and before it is perfected. A purchaser of the real estate at a foreclosure sale other than an encumbrancer purchasing at his own foreclosure sale is a subsequent purchaser within this section.

(5) When under subsections (2) or (3) and (4) a secured party has priority over the claims of all persons who have interests in the real estate, he may, on default, subject to the provisions of Part 5, remove his collateral from the real estate but he must reimburse any encumbrancer or owner of the real estate who is not the debtor and who has not otherwise agreed for the cost of repair of any physical injury, but not for any diminution in value of the real

estate caused by the absence of the goods removed or by any necessity for replacing them. A person entitled to reimbursement may refuse permission to remove until the secured party gives adequate security for the performance of this obligation.

Section 9—314. *Accessions.* (1) A security interest in goods which attaches before they are installed in or affixed to other goods takes priority as to the goods installed or affixed (called in this section "accessions") over the claims of all persons to the whole except as stated in subsection (3) and subject to Section 9—315(1).

(2) A security interest which attaches to goods after they become part of a whole is valid against all persons subsequently acquiring interests in the whole except as stated in subsection (3) but is invalid against any person with an interest in the whole at the time the security interest attaches to the goods who has not in writing consented to the security interest or disclaimed an interest in the goods as part of the whole.

(3) The security interests described in subsections (1) and (2) do not take priority over

(a) a subsequent purchaser for value of any interest in the whole; or

(b) a creditor with a lien on the whole subsequently obtained by judicial proceedings; or

(c) a creditor with a prior perfected security interest in the whole to the extent that he makes subsequent advances

if the subsequent purchase is made, the lien by judicial proceedings obtained or the subsequent advance under the prior perfected security interest is made or contracted for without knowledge of the security interest and before it is perfected. A purchaser of the whole at a foreclosure sale other than the holder of a perfected security interest purchasing at his own foreclosure sale is a subsequent purchaser within this section.

(4) When under subsections (1) or (2) and (3) a secured party has an interest in accessions which has priority over the claims of all persons who have interests in the whole, he may on default subject to the provisions of Part 5 remove his collateral from the whole but he must reimburse any encumbrancer or owner of the whole who is not the debtor and who has not otherwise agreed for the cost of repair of any physical injury but not for any diminution in value of the whole caused by the absence of the goods removed or by any necessity for replacing them. A person entitled to reimbursement may refuse permission to remove until the secured party gives adequate security for the performance of this obligation.

Section 9—315. *Priority When Goods Are Commingled or Processed.* (1) If a security interest in goods was perfected and subsequently the goods or a part thereof have become part of a product or mass, the security interest continues in the product or mass if

(a) the goods are so manufactured, processed, assembled or commingled that their identity is lost in the product or mass; or

(b) a financing statement covering the original goods also covers the product into which the goods have been manufactured, processed or assembled.

In a case to which paragraph (b) applies, no separate security interest in that part of the original goods which has been manufactured, processed or assembled into the product may be claimed under Section 9—314.

(2) When under subsection (1) more than one security interest attaches to the product or mass, they rank equally according to the ratio that the cost of the goods to which each interest originally attached bears to the cost of the total product or mass.

Section 9—316. *Priority Subject to Subordination.* Nothing in this Article prevents subordination by agreement by any person entitled to priority.

Section 9—317. *Secured Party Not Obligated on Contract of Debtor.* The mere existence of a security interest or authority given to the debtor to dispose of or use collateral does not impose contract or tort liability upon the secured party for the debtor's acts or omissions.

Section 9—318. *Defenses Against Assignee; Modification of Contract After Notification of Assignment; Term Prohibiting Assignment Ineffective; Identification and Proof of Assignment.* (1) Unless an account debtor has made an enforceable agreement not to assert defenses or claims arising out of a sale as provided in Section 9—206 the rights of an assignee are subject to

(a) all the terms of the contract between the account debtor and assignor and any defense or claim arising therefrom; and

(b) any other defense or claim of the account debtor against the assignor which accrues before the account debtor receives notification of the assignment.

(2) So far as the right to payment under an assigned contract right has not already become an account, and notwithstanding notification of the assignment, any modification of or substitution for the contract made in good faith and in accordance with reasonable commercial standards is effective against an assignee unless the account debtor has otherwise agreed but the assignee acquires corresponding rights under the modified or substituted contract. The

assignment may provide that such modification or substitution is a breach by the assignor.

(3) The account debtor is authorized to pay the assignor until the account debtor receives notification that the account has been assigned and that payment is to be made to the assignee. A notification which does not reasonably identify the rights assigned is ineffective. If requested by the account debtor, the assignee must seasonably furnish reasonable proof that the assignment has been made and unless he does so the account debtor may pay the assignor.

(4) A term in any contract between an account debtor and an assignor which prohibits assignment of an account or contract right to which they are parties is ineffective.

Part 4. **Filing**

Section 9—401. *Place of Filing; Erroneous Filing; Removal of Collateral.* (1) The proper place to file in order to perfect a security interest is as follows:

(a) in the office of the county court clerk in the county of the debtor's residence or if the debtor is not a resident of this state then in the office of the county court clerk in the county where the goods are kept;

(b) when the collateral is goods which at the time the security interest attaches are or are to become fixtures, then in the office where a mortgage on the real estate concerned would be filed or recorded;

(2) A filing which is made in good faith in an improper place or not in all of the places required by this section is nevertheless effective with regard to any collateral as to which the filing complied with the requirements of this Article and is also effective with regard to collateral covered by the financing statement against any person who has knowledge of the contents of such financing statement.

(3) A filing which is made in the proper place in this state continues effective even though the debtor's residence or place of business or the location of the collateral or its use, whichever controlled the original filing, is thereafter changed.

(4) If collateral is brought into this state from another jurisdiction, the rules stated in Section 9—103 determine whether filing is necessary in this state.

Section 9—402. *Formal Requisites of Financing Statement; Amendments.* (1) A financing statement is sufficient if it is signed by the debtor and the secured party, gives an address of the secured party from which information concerning the security interest may be obtained, gives a mailing address of the debtor and contains a statement indicating the types, or describing the items, of collateral.

A financing statement may be filed before a security agreement is made or a security interest otherwise attaches. When the financing statement covers crops growing or to be grown or goods which are or are to become fixtures, the statement must also contain a description of the real estate concerned. A copy of the security agreement is sufficient as a financing statement if it contains the above information and is signed by both parties.

(2) A financing statement which otherwise complies with subsection (1) is sufficient although it is signed only by the secured party when it is filed to perfect a security interest in

(a) collateral already subject to a security interest in another jurisdiction when it is brought into this state. Such a financing statement must state that the collateral was brought into this state under such circumstances.

(b) proceeds under Section 9–306 if the security interest in the original collateral was perfected. Such a financing statement must describe the original collateral.

(3) A form substantially as follows is sufficient to comply with subsection (1):

Name of debtor (or assignee) ________________________
Address ____

Name of secured party (or assignee) __________________
Address ____

1. This financing statement covers the following types (or items) of property:
   (Describe) ____________________________________
2. (If collateral is crops) The above described crops are growing or are to be grown on:
   (Describe Real Estate) ___________________________
3. (If collateral is goods which are or are to become fixtures) The above described goods are affixed or to be affixed to:
   (Describe Real Estate) ___________________________
4. (If proceeds or products of collateral are claimed) Proceeds—Products of the collateral are also covered.
   Signature of Debtor (or Assignor) _________________
   Signature of Secured Party (or Assignee) ____________

(4) The term "financing statement" as used in this Article means the original financing statement and any amendments but if any amendment adds collateral, it is effective as to the added collateral only from the filing date of the amendment.

(5) A financing statement substantially complying with the requirements of this section is effective even though it contains minor errors which are not seriously misleading.

Section 9–403. *What Constitutes Filing; Duration of Filing; Effect of Lapsed Filing; Duties of Filing Officer.* (1) Presentation for filing of a financing statement and tender of the filing fee or acceptance of the statement by the filing officer constitutes filing under this Article.

(2) A filed financing statement which states a maturity date of the obligation secured of five years or less is effective until such maturity date and thereafter for a period of sixty days. Any other filed financing statement is effective for a period of five years from the date of filing. The effectiveness of a filed financing statement lapses on the expiration of such sixty day period after a stated maturity date or on the expiration of such five year period, as the case may be, unless a continuation statement is filed prior to the lapse. Upon such lapse the security interest becomes unperfected.

(3) A continuation statement may be filed by the secured party (i) within six months before and sixty days after a stated maturity date of five years or less, and (ii) otherwise within six months prior to the expiration of the five year period specified in subsection (2). Any such continuation statement must be signed by the secured party, identify the original statement by file number and state that the original statement is still effective. Upon timely filing of the continuation statement, the effectiveness of the original statement is continued for five years after the last date to which the filing was effective whereupon it lapses in the same manner as provided in subsection (2) unless another continuation statement is filed prior to such lapse. Succeeding continuation statements may be filed in the same manner to continue the effectiveness of the original statement. Unless a statute on disposition of public records provides otherwise, the filing officer may remove a lapsed statement from the files and destroy it.

(4) A filing officer shall mark each statement with a consecutive file number and with the date and hour of filing and shall hold the statement for public inspection. In addition the filing officer shall index the statements according to the name of the debtor and shall note in the index the file number and the address of the debtor given in the statement.

(5) The uniform fee for filing, indexing and furnishing filing data for an original or a continuation statement shall be $1.00.

Section 9–404. *Termination Statement.* (1) Whenever there is no outstanding secured obligation and no commitment to make advances, incur obligations or otherwise give value, the secured party must on written demand by the debtor send the debtor a statement that he no longer claims a security interest under the financing statement, which shall be identified by file number. A termination statement signed by a person other than the secured party of record must include or be accompanied by the assignment or a statement by the secured party of record that he has assigned the security interest to the signer of the termination statement. The uniform fee for filing and indexing such an assignment or statement thereof shall be $.50. If the affected secured party fails to send such a termination statement within ten days after proper demand therefor he shall be liable to the debtor for one hundred dollars, and in addition for any loss caused to the debtor by such failure.

(2) On presentation to the filing officer of such a termination statement he must note it in the index. Unless a statute on disposition of public records provides otherwise, the filing officer shall remove the financing statement from the files, mark it "terminated" and send or deliver the financing statement to the secured party.

(3) The uniform fee for filing and indexing a termination statement and for sending or delivering the financing statement shall be $.50.

Section 9–405. *Filing of Statement of Assignment of a Secured Party's Interest; Duties of Filing Officer; Fees.* A secured party may assign or record all or a part of his rights under a financing statement by indication therein of the name and address of the assignee or by the filing of a separate written statement of assignment signed by the secured party and setting forth the name of the secured party and the debtor, the file number and the date of filing of the financing statement and the name and address of the assignee, and containing a description of the collateral assigned. A copy of the assignment is sufficient as a separate statement if it complies with the preceding sentence. On presentation to the filing officer of such a financing statement or such a separate statement, the filing officer shall mark such financing statement as provided in Section 9–403 (4) or mark such separate statement with the date and hour of the filing. He shall note the assignment on the margin of the index of the filing of the financing statement. The uniform fee for filing, indexing and furnishing filing data about such a separate statement of assignment shall be $.50.

Section 9–406. *Release of Collateral; Duties of Filing Officer; Fees.* A secured party of record may by his signed statement release all or a part of any collateral described in a filed financing statement. The statement of release is sufficient if it contains a description of the collateral being released, the name and address of the debtor, the name and address of the secured party, and the file number of the financing statement. Upon presentation of such a statement to the filing officer he shall mark the statement with the hour and date of filing and shall note the same upon the margin of the index of the filing of the financing statement. The uniform fee for filing and noting such a statement of release shall be $.50.

Part 5. Default

Section 9–501. *Default; Procedure When Security Agreement Covers Both Real and Personal Property.* (1) When a debtor is in default under a security agreement, a secured party has the remedies provided by this Part, which are cumulative. In addition, he may reduce his claim to judgment, foreclose the security interest by any available judicial procedure, or both. If the collateral is documents the secured party may proceed either as to the documents or as the goods covered thereby.

(2) After default, the debtor has the rights provided in this Part, and a secured party in possession has the rights and duties provided in Section 9–207.

(3) The rules stated in this Part which give rights to the debtor and impose duties on the secured party may be waived or varied only as provided in this Part but the parties may by agreement determine the standards by which the fulfillment of these rights and duties is to be measured if such standards are not manifestly unreasonable.

(4) If the security agreement covers both real and personal property, the secured party may proceed under this Part as to the personal property or he may proceed as to both the real and the personal property under the law relating to foreclosure of real estate mortgages. If the secured party proceeds as to both under the real estate mortgage law, the provisions of this Part do not apply.

(5) When a secured party has reduced his claim to judgment the lien of any levy which may be made upon his collateral by virtue of any execution based upon the judgment shall relate back to the date of the perfection of the security interest in such collateral. A judicial sale, pursuant to such execution, is a foreclosure of the security interest by judicial procedure within the meaning of this section, and the secured party may purchase at the sale and thereafter hold the collateral free of any other requirements of this Article.

Section 9–502. *Collection Rights of Secured Party.* (1) When so agreed and in any event on default the secured party is entitled to notify an account debtor or the obligor on an instrument to make payment to him whether or not the assignor was theretofore making collections on the collateral, and also to take control of any proceeds to which he is entitled under Section 9–306.

(2) A secured party who by agreement is entitled to charge back uncollected collateral or otherwise to full or limited recourse against the debtor and who undertakes to collect from the account debtors or obligors must proceed in a commercially reasonable manner and may deduct his reasonable expenses of realization from the collections. If the security agreement secures an indebtedness, the secured party

must account to the debtor for any surplus, and unless otherwise agreed, the debtor is liable for any deficiency. But, if the underlying transaction was a sale of accounts, contract rights, or chattel paper, the debtor is entitled to any surplus or is liable for any deficiency only if the security agreement so provides.

Section 9–503. *Secured Party's Right to Take Possession After Default.* Unless otherwise agreed a secured party has on default the right to take possession of the collateral. In taking possession a secured party may proceed without judicial process if this can be done without breach of the peace or may proceed by action. If the security agreement so provides the secured party may require the debtor to assemble the collateral and make it available to the secured party at a place to be designated by the secured party which is reasonably convenient to both parties. Without removal a secured party may render equipment unusable, and may dispose of collateral on the debtor's premises under Section 9–504.

Section 9–504. *Secured Party's Right to Dispose of Collateral After Default; Effect of Disposition.* (1) A secured party after default; may sell, lease or otherwise dispose of any or all of the collateral in its then condition or following any commercially reasonable preparation or processing. Any sale of goods is subject to the Article on Sales(Article 2). The proceeds of disposition shall be applied in the order following to

(a) the reasonable expenses of retaking, holding, preparing for sale, selling and the like and, to the extent provided for in the agreement and not prohibited by law, the reasonable attorneys' fees and legal expenses incurred by the secured party;

(b) the satisfaction of indebtedness secured by the security interest under which the disposition is made;

(c) the satisfaction of indebtedness secured by any subordinate security interest in the collateral if written notification of demand therefor is received before distribution of the proceeds is completed. If requested by the secured party, the holder of a subordinate security interest must seasonably furnish reasonable proof of his interest, and unless he does so, the secured party need not comply with his demand.

(2) If the security interest secures an indebtedness, the secured party must account to the debtor for any surplus, and, unless otherwise agreed, the debtor is liable for any deficiency. But if the underlying transaction was a sale of accounts, contract rights, or chattel paper, the debtor is entitled to any surplus or is liable for any deficiency only if the security agreement so provides.

(3) Disposition of the collateral may be by public or private pro-

ceedings and may be made by way of one or more contracts. Sale or other disposition may be as a unit or in parcels and at any time and place and on any terms but every aspect of the disposition including the method, manner, time, place and terms must be commercially reasonable. Unless collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, reasonable notification of the time and place of any public sale or reasonable notification of the time after which any private sale or other intended disposition is to be made shall be sent by the secured party to the debtor, and except in the case of consumer goods to any other person who has a security interest in the collateral and who has duly filed a financing statement indexed in the name of the debtor in this state or who is known by the secured party to have a security interest in the collateral. The secured party may buy at any public sale and if the collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations he may buy at private sale.

(4) When collateral is disposed of by a secured party after default, the disposition transfers to a purchaser for value all of the debtor's rights therein, discharges the security interest under which it is made and any security interest or lien subordinate thereto. The purchaser takes free of all such rights and interests even though the secured party fails to comply with the requirements of this Part or of any judicial proceedings

(a) in the case of a public sale, if the purchaser has no knowledge of any defects in the sale and if he does not buy in collusion with the secured party, other bidders or the person conducting the sale; or

(b) in any other case, if the purchaser acts in good faith.

(5) A person who is liable to a secured party under a guaranty, indorsement, repurchase agreement or the like and who receives a transfer of collateral from the secured party or is subrogated to his rights has thereafter the rights and duties of the secured party. Such a transfer of collateral is not a sale or disposition of the collateral under this Article.

Section 9–505. *Compulsory Disposition of Collateral; Acceptance of the Collateral as Discharge of Obligation.* (1) If the debtor has paid sixty per cent of the cash price in the case of a purchase money security interest in consumer goods or sixty per cent of the loan in the case of another security interest in consumer goods, and has not signed after default a statement renouncing or modifying his rights under this Part a secured party who has taken possession of collateral must dispose of it under Section 9–504 and if he fails to do so within ninety days after he takes possession the debtor at his option may recover in conversion or under Section 9—507 (1) on secured party's liability.

(2) In any other case involving consumer goods or any other collateral a secured party in possession may, after default, propose to retain the collateral in satisfaction of the obligation. Written notice of such proposal shall be sent to the debtor and except in the case of consumer goods to any other secured party who has a security interest in the collateral and who has duly filed a financing statement indexed in the name of the debtor in this state or is known by the secured party in possession to have a security interest in it. If the debtor or other person entitled to receive notification objects in writing within thirty days from the receipt of the notification or if any other secured party objects in writing within thirty days after the secured party obtains possession the secured party must dispose of the collateral under Section 9—504. In the absence of such written objection the secured party may retain the collateral in satisfaction of the debtor's obligation.

Section 9—506. *Debtor's Right to Redeem Collateral.* At any time before the secured party has disposed of collateral or entered into a contract for its disposition under Section 9—504 or before the oblgiation has been discharged under Section 9—505(2) the debtor or any other secured party may unless otherwise agreed in writing after default redeem the collateral by tendering fulfillment of all obligations secured by the collateral as well as the expenses reasonably incurred by the secured party in retaking, holding and preparing the collateral for disposition, in arranging for the sale, and to the extent provided in the agreement and not prohibited by law, his reasonable attorneys' fees and legal expenses.

Section 9—507. *Secured Party's Liability for Failure to Comply with This Part.* (1) If it is established that the secured party is not proceeding in accordance with the provisions of this Part disposition may be ordered or restrained on appropriate terms and conditions. If the disposition has occurred the debtor or any person entitled to notification or whose security interest has been made known to the secured party prior to the disposition has a right to recover from the secured party any loss caused by a failure to comply with the provisions of this Part. If the collateral is consumer goods, the debtor has a right to recover in any event an amount not less than the credit service charge plus ten per cent of the principal amount of the debt or the time price differential plus ten per cent of the cash price.

(2) The fact that a better price could have been obtained by a sale at a different time or in a different method from that selected by the secured party is not of itself sufficient to establish that the sale was not made in a commercially reasonable manner. If the secured party either sells the collateral in the usual manner in any

recognized market therefor or if he sells at the price current in such market at the time of his sale or if he has otherwise sold in conformity with reasonable commercial practices among dealers in the type of property sold he has sold in a commercially reasonable manner. The principles stated in the two preceding sentences with respect to sales also apply as may be appropriate to other types of disposition. A disposition which has been approved in any judicial proceeding or by any bona fide creditors' committee or representative of creditors shall conclusively be deemed to be commercially reasonable, but this sentence does not indicate that any such approval must be obtained in any case nor does it indicate that any disposition not so approved is not commercially reasonable.

ARTICLE 10

EFFECTIVE DATE AND REPEALER

Section 10—101. *Effective date.* This Act shall become effective at midnight on July 1, 1960 following its enactment. It applies to transactions entered into and events occurring after that date.

Section 10—102. *Chapter Repealer; Provision for Transition.* (1) The following Chapters of the Kentucky Revised Statutes are repealed:

Chapter 274
Chapter 356
Chapter 357
Chapter 358
Chapter 361
Chapter 377

(2) Transactions validly entered into before the effective date specified in Section 10-101 and the rights, duties and interests flowing from them remain valid thereafter and may be terminated, completed, consummated or enforced as required or permitted by any statute or other law amended or repealed by this Act as though such repeal or amendment had not occurred.

Section 10-103. *Section Repealer.* The following Sections of the Kentucky Revised Statutes are repealed:

Section 382.680
Section 382.690
Section 382.700
Section 382.710
Section 382.720

Section 10-104. *Laws Not Repealed.* The Article on Documents of Title (Article 7) does not repeal or modify any laws prescribing the form or contents of documents of title or the services or facilities to be afforded by bailees, or otherwise regulating bailees' businesses in respects not specifically dealt with herein; but the fact that such laws are violated does not affect the status of a document of title which otherwise complies with the definition of a document of title (Section 1-201).

Section 10—105. *Section* 287.405 *of the Kentucky Revised Statutes is amended to read as follows:* (1) No revocation, countermand or stop-payment order relating to the payment of any check or draft against an account of a depositor in any bank shall be binding upon the bank for more than fourteen days after service thereof on the bank unless such revocation, countermand or stop-payment order is confirmed in writing within that period after which it shall remain in effect for not longer than six months unless it shall be renewed which renewal shall be in writing and shall be in effect for not more than six months from date of service thereof on the bank, but such renewal may be made from time to time.

(2) No notice affecting a check upon which revocation, countermand or stop-payment order has been made before July 1, 1956, shall be deemed to continue for a period of more than six months thereafter.

Section 10—106. *Section* 378.040 *of the Kentucky Revised Statutes is amended to read as follows:* Except as provided in Section 2—402 of the Uniform Commercial Code and by KRS 364.120, any voluntary alienation of or charge upon personal property unaccompanied by a transfer of possession, in good faith, shall be void as to a purchaser without notice, or any creditor, prior to the lodging for record of such transfer or charge in the office of the county clerk of the county where the alienor or person creating the charge resides.

Section 10—107. *Section* 382.610 *of the Kentucky Revised Statutes is amended to read as follows:* Nothing in this Act shall invalidate any mortgage taken prior to June 12, 1940, or any amendment thereto to secure a pre-existing indebtedness.

Section 10—108. *Section* 446.140 *of the Kentucky Revised Statutes is amended to read as follows:* Title heads, chapter heads, sections and subsection heads or titles, and explanatory notes and cross references, in the Kentucky Revised Statutes, do not constitute any part of the law, except as provided in Section 1-109 of the Uniform Commercial Code.

SB 176, AN ACT relating to post-mortem examinations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No person shall perform an autopsy or post-mortem examination upon the body of a deceased person except in accordance with this Act.

Section 2. Section 72.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) If in the opinion of the coroner it is necessary to have a post-mortem examination of a dead person during an inquest, he may employ a competent surgeon or physician for that purpose, and if he suspects poisoning he may employ a competent chemist to analyze the body or any part thereof.

(2) Upon agreement of the coroner, an autopsy or post-mortem examination may be performed upon the body of a deceased person by a licensed physician or surgeon, whenever written consent thereto, duly signed and acknowledged prior to his death, has been granted by the deceased. In the absence of such consent, written or telegraphic consent for such examination shall be deemed sufficient when given by the person who assumes the duty of legal disposal of the body. If two or more persons assume custody of the body, the consent of one of them shall be deemed sufficient.

(3) No physician, surgeon or chemist shall be required to inquire into a coroner's authority to order an autopsy to be performed. Any licensed physician, surgeon or chemist who performs an autopsy or post-mortem examination upon request of the coroner or with the consent of any one of the persons enumerated in subsection (2) shall not be liable in damages or otherwise accountable in any person therefor.

Section 3. Section 72.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) A surgeon, physician or chemist employed under KRS 72.070 (1) or 72.080 shall receive a reasonable fee fixed by the fiscal court.

(2) The officer directing the investigation under KRS 72.080 shall receive per diem, as compensation for his services, the maximum fee prescribed by law for services required of and rendered by him by virtue of the office he holds.

(3) The fees prescribed in subsections (1) and (2) of this Section shall be paid out of the county treasury. The other costs of an inquest are payable out of the county treasury except where an inquest on an unburied body is held in a city of thirty thousand or more inhabitants, in which case the other costs of the inquest shall be paid by the city. Provided, however, that if there are insufficient funds available in the county treasury for the purpose of employing the

physician, surgeon or chemist authorized to be employed by KRS 72.070 and 72.080, the Commissioner of Health may, upon request of the coroner, pay for such post-mortem examination, out of funds of the Department of Health which are not otherwise appropriated, a sum not to exceed one hundred dollars for each examination.

Section 4. Any person who violates Section 1 or Section 2 of this Act shall be fined not less than ten dollars nor more than five hundred dollars or confined in the county jail for not less than ten days nor more than thirty days, or both.

SB 181, AN ACT Relating to the Elimination of Hazards at Railroad-Highway Crossings by Means of Grade Separation Structures or Automatic Warning Devices and Providing for Allocation and Apportionment of the Costs of Construction, Installation and Maintenance Thereof.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The entire construction costs of projects for the elimination of hazards of railroad-highway crossings, including the separation or protection of grades at crossings, the reconstruction of existing railroad grade crossing structures, and the relocation of highways to eliminate railroad grade crossings which may be paid for in whole or part from State funds, including, but not limited to, the cost of preparing the plans and specifications and supervising the improvement, the acquisition of necessary property, the construction of approaches, drainage structures, roadways and pavements, accommodations for public utilities, and damages paid to abutting property owners, shall be allocated between the railroad involved, and the governmental unit or units involved in the same ratio as the net benefits received by such railroad from the project bears to the net benefit accruing to the public using the the highway, and in no case shall the net benefit to any roalroad or railroads be deemed to be more than 10% of the total benefit resulting from the project. The Department of Highways shall be responsible for determining the proportion of the benefits derived by the railroad from the project, and shall fix standards for the determining of said benefits which shall be consistent with the standards adopted for similar purposes by the United States Bureau of Public Roads under the Federal-Aid-Highway Act of 1944. The cost of maintenance of all structures for the elimination of railroad grade crossings, and of installations for the protection of existing grade crossings, constructed or installed under this act, shall be borne by the governmental unit or units constructing them. Before any State funds shall be expended for any project constructed under this Act, a contract shall be entered into between the railroad and the governmental unit or units involved setting forth the duties of each as to construction and maintenance of the project.

Section 2. All statutes in conflict herewith are hereby repealed.

SB 189, AN ACT relating to the financing of buildings and appurtenances at state educational institutions and amending Sections 162.350, 162.360, 162.370 and 162.380 of the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 162.350 of the Kentucky Revised Statutes is amended to read as follows:

The governing body of a state educational institution erecting a building or buildings pursuant to KRS 162.340 is subject to the provisions of KRS 162.170 to 162.240, KRS 162.260, 162.270 and 162.290, except that part of KRS 162.190 that provides that the bonds shall be payable solely from the revenue derived from the particular building or buildings thus erected and also except that part of KRS 162.170 that requires compliance with KRS 162.160. When so applied these sections shall be so read that:

(1) "City" means "state educational institution."

(2) "Ordinance" means "resolution."

(3) 'Governing body of the city" means "governing body of the institution."

(4) "School buildings" means the type of buildings contemplated by KRS 162.340.

(5) "Thirty years" in KRS 162.180 means "forty years."

(6) "KRS 162.230" in KRS 162.190 and 162.220, means "KRS 162.230, 162.360 and 162.370."

(7) "KRS 162.150 to KRS 162.280" means "KRS 162.350 to 162.380."

Section 2. Section 162.360 of the Kentucky Revised Statutes is amended to read as follows:

The governing body of a state educational institution erecting a building or buildings and appurtenances under the provisions of KRS 162.340 shall, by resolution, provide that the bonds shall be payable, solely from the revenues of such building or buildings, provided, said governing body may in its discretion, by said resolution, also provide that the bonds shall be payable from the revenues of any other building or buildings theretofore or as may be thereafter erected and used, in connection with the institution for educational purposes provided, further, any such provision for the payment of the bonds from the revenues of such other building or buildings theretofore erected shall be subject to and in all respects in full conformity and compliance with the rights of the holders of any bonds or obligations payable from the revenues of such other building or buildings theretofore issued by the governing body then outstanding. The resolution shall fix the initial minimum rents, tolls, fees, and other charges to be imposed in connection with the services furnished by the building or buildings to be erected and may also provide that the governing body of the institution shall monthly as the service accrues pay from the current funds of the institution or from student fees, or both, into the special fund provided by KRS 162.230 as that section is made applicable by KRS 162.350 a minimum amount representing the reasonable cost and value of any service rendered to the educational institution by such building or buildings in furnishing any educational facilities in the operation of the educational institution. The resolution shall fix the extent of the pledge of revenues from such other building or buildings toward the payment of the bonds and interest thereupon and may specify the terms and conditions upon which additional bonds may be thereafter issued and sold ranking on a parity with and payable from the same source as the bonds authorized by such resolution, and such additional parity bonds may thereafter be so issued and sold to pay all or any part of the cost of building or buildings and appurtenances. The resolution shall definitely fix the minimum amount of revenues necessary to be set apart on or before stated intervals and applied to the payment of the principal and interest on the bonds and the balance of the income and revenues shall be set aside as a proper operation and maintenance fund, including a sufficient sum to pay the cost of insuring the building or buildings against loss or damage by fire and windstorm or other calamity as may have been stipulated in the resolution or resolutions authorizing the bonds. The charges for the services from the building or buildings, together with the available revenues of any other building or buildings pledged to the payment of said bonds and interest thereon, shall be sufficient at all times to provide for the payment of such interest and to create a sinking fund to accomplish retirement of such bonds at or before maturity, and to pay the current operation and maintenance expenses of the building or buildings to the extent such expenses are not otherwise provided. The charges shall be revised from time to time so as to produce these amounts.

Section 3. Section 162.370 of the Kentucky Revised Statutes is amended to read as follows:

If a surplus is accumulated in the maintenance fund equal to the cost of maintaining the building or buildings during the remaining portion of the calendar or fiscal year, as may be provided by the resolution adopted under KRS 162.360 and the cost of maintaining and operating the building or buildings the succeeding like calendar or fiscal year, the excess over such amount may be transferred at any time by the governing body to the sinking fund or may be used for any improvements, extensions or additions to the building or buildings.

Section 4. Section 162.380 of the Kentucky Revised Statutes is amended to read as follows:

The bonds issued under authority of KRS 162.350 shall be obligations only of the governing body of the institution, payable as to both principal and interest from the revenues as pledged for that purpose. In no event shall they be considered a debt for which the credit of the state is pledged. Any resolution adopted under the provisions of KRS 162.350 or 162.360 shall constitute a contract between the governing body of the institution and the holder of any bond or coupon and shall be binding in all respects upon the governing body of the institution and its successors.

SB 191, AN ACT relating to commissioners for the Court of Appeals.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

In accordance with the provisions of KRS 21.150 (1), the judges of the Court of Appeals, a majority of them concurring, are authorized to appoint not more than three commissioners in addition to those specified in KRS 21.150. All provisions of law applicable to the commissioners appointed pursuant to KRS 21.150 (1) shall be applicable to the commissioners appointed hereunder.

SB 192, AN ACT relating to extradition of fugitives from justice.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This act may be cited as the Uniform Criminal Extradition Act.

Section 2. Where appearing in this act, the term "Governor" includes any person performing the functions of Governor by authority of the law of this state. The term "Executive Authority" includes the Governor, and any person performing the functions of Governor in a state other than this state, and the term "State," referring to a state other than this state, includes any other state or territory, organized or unorganized, of the United States of America.

Section 3. Subject to the provisions of this act, the provisions of the Constitution of the United States controlling, and any and all acts of Congress enacted in pursuance thereof, it is the duty of the Governor of this state to have arrested and delivered up to the Executive Authority of any other state of the United States any person charged in that state with treason, felony, or other crime, who has fled from justice and is found in this state.

Section 4. No demand for the extradition of a person charged with crime in another state shall be recognized by the Governor unless in writing alleging, except in cases arising under Section 7, that the accused was present in the demanding state at the time of the commission of the alleged crime, and that thereafter he fled from the state, and accompanied by a copy of an indictment found or by information supported by affidavit in the state having jurisdiction of the crime, or by a copy of an affidavit made before a magistrate there, together with a copy of any warrant which was issued thereupon; or by a copy of a judgment of conviction or of a sentence imposed in execution thereof, together with a statement by the Executive Authority of the demanding state that the person claimed has escaped from confinement or has broken the terms of his bail, probation or parole. The indictment, information, or affidavit made before the magistrate must substantially charge the person demanded with having committed a crime under the law of that state; and the copy of indictment, information, affidavit, judgment of conviction or sentence must be authenticated by the Executive Authority making the demand.

Section 5. When a demand shall be made upon the Governor of this state by the Executive Authority of another state for the surrender of a person so charged with crime, the Governor may call upon the Attorney General or any other officer of this state to investigate or assist in investigating the demand, and to report to him the situation and circumstances of the person so demanded, and whether he ought to be surrendered.

Section 6. When it is desired to have returned to this state a person charged in this state with a crime, and such person is imprisoned or is held under criminal proceedings then pending against him in another state, the Governor of this state may agree with the Executive Authority of such other state for the extradition of such person before the conclusion of such proceedings or his term of sentence in such other state, upon condition that such person be returned to such other state at the expense of this state as soon as the prosecution in this state is terminated.

The Governor of this state may also surrender on demand of the Executive Authority of any other state any person in this state who is charged in the manner provided in Section 4 of this act with having violated the laws of the state whose Executive Authority is making the demand, even though such person left the demanding state involuntarily.

Section 7. The Governor of this state may also surrender, on demand of the Executive Authority of any other state, any person in this state charged in such other state in the manner provided in Section 4 with committing an act in this state, or in a third state, intentionally resulting in a crime in the state whose Executive Authority is making the demand, and the provisions of this act not otherwise inconsistent, shall apply to such cases, even though the accused was not in that state at the time of the commission of the crime, and has not fled therefrom.

Section 8. If the Governor decides that the demand should be complied with, he shall sign a warrant of arrest, which shall be sealed with the state seal, and be directed to any peace officer or other person whom he may think fit to entrust with the execution thereof. The warrant must substantially recite the facts necessary to the validity of its issuance.

Section 9. Such warrant shall authorize the peace officer or other person to whom directed to arrest the accused at any time and any place where he may be found within the state and to command the aid of all peace officers or other persons in the execution of the warrant, and to deliver the accused, subject to the provisions of this act, to the duly authorized agent of the demanding state.

Section 10. Every such peace officer or other person empowered to make the arrest, shall have the same authority, in arresting the accused, to command assistance therein, as peace officers have by law in the execution of any criminal process directed to them, with like penalties against those who refuse their assistance.

Section 11. No person arrested upon such warrant shall be delivered over to the agent whom the Executive Authority demanding him shall have appointed to receive him unless he shall first be taken forthwith before a judge of a circuit, county, or police court in this state, who shall inform him of the demand made for his surrender and of the crime with which he is charged, and that he has the right to demand and procure legal counsel; and if the prisoner or his counsel shall state that he or they desire to test the legality of his arrest, the judge of such court shall fix a reasonable time to be allowed him within which to apply for a writ of habeas corpus. When such writ is applied for, notice thereof, and of the time and place of hearing thereon, shall be given to the county attorney of the county in which the arrest is made and in which the accused is in custody, and to the said agent of the demanding state.

Section 12. Any officer who shall deliver to the agent for extradition of the demanding state a person in his custody under the Governor's warrant, in wilful disobedience to the last section, shall be guilty of a misdemeanor and, on conviction, shall be fined not less than $100 nor more than $1,000 or imprisoned in the county jail not less than ten nor more than thirty days, or both.

Section 13. The officer or persons executing the governor's warrant of arrest, or the agent of the demanding state to whom the prisoner may have been delivered may, when necessary, confine the prisoner in the jail of any county or city through which he may pass; and the keeper of such jail must receive and safely keep the prisoner until the officer or person having charge of him is ready to proceed on his route, such officer or person being chargeable with the expense of the keeping.

The officer or agent of a demanding state to whom a prisoner may have been delivered following extradition proceedings in another state, or to whom a prisoner may have been delivered after waiving extradition in such other state, and who is passing through this state with such a prisoner for the purpose of immediately returning such prisoner to the demanding state may, when necessary, confine the prisoner in the jail of any county or city through which he may pass; and the keeper of such jail must receive and safely keep the prisoner until the officer or agent having charge of him is ready to proceed on his route, such officer or agent, however, being chargeable with the expense of keeping; provided, however, that such officer or agent shall produce and show to the keeper of such jail satisfactory written evidence of the fact that he is actually transporting such prisoner to the demanding state after a requisition by the Executive Authority of such demanding state. Such prisoner shall not be entitled to demand a new requisition while in this state.

Section 14. Whenever any person within this state shall be charged on the oath of any credible person before any judge or magistrate of this state with the commission of any crime in any other state and, except in cases arising under Section 7, with having fled from justice, or with having been convicted of a crime in that state and having escaped from confinement, or having broken the terms of his bail, probation or parole, or whenever complaint shall have been made before any judge or magistrate in this state setting forth on the affidavit of any credible person in another state that a crime has been committed in such other state and that the accused has been charged in such state with the commission of the crime, and, except in cases arising under Section 7, has fled from justice, or with having been convicted of a crime in that state and having escaped from confinement, or having broken the terms of his bail, probation or parole and is believed to be in this state, the judge or magistrate shall issue a warrant directed to any peace officer commanding him to apprehend the person named therein, wherever he may be found in this state, and to bring him before the circuit judge, the judge of the county court or the police judge of a city in the county in which he was arrested who may be available in or convenient of access to the place where the arrest may be made, to answer the charge or complaint and affidavit, and a certified copy of the sworn charge or complaint and affidavit upon which the warrant is issued shall be attached to the warrant.

Section 15. The arrest of a person may be lawfully made also by any peace officer or a private person, without a warrant upon reasonable information that the accused stands charged in the courts of a state with a crime punishable by death or imprisonment for a term exceeding one year, but when so arrested the accused must be taken before a judge with all practicable speed and complaint must be made against him under oath setting forth the ground for the arrest as in the preceding section; and thereafter his answer shall be heard as if he had been arrested on a warrant.

Section 16. If from the examination before the judge it appears that the person held is the person charged with having committed the crime alleged and, except in cases arising under Section 7, that he has fled from justice, the judge must, by a warrant reciting the accusation, commit him to the county jail for such a time not exceeding thirty days and specified in the warrant, as will enable the arrest of the accused to be made under a warrant of the Governor on a requisition of the Executive Authority of the state having jurisdiction of the offense, unless the accused give bail as provided in the next section, or until he shall be legally discharged.

Section 17. Unless the offense with which the prisoner is charged is shown to be an offense punishable by death or life imprisonment under the laws of the state in which it was committed, a judge in this state may admit the person arrested to bail by bond, with sufficient sureties, and in such sum as he deems proper, conditioned for his appearance before him at a time specified in such bond, and for his surrender, to be arrested upon the warrant of the Governor of this state.

Section 18. If the accused is not arrested under warrant of the Governor by the expiration of the time specified in the warrant or bond, a judge may discharge him or may recommit him for a further period not to exceed sixty days, or a judge may again take bail for his appearance and surrender, as provided in Section 17, but within a period not to exceed sixty days after the date of such new bond.

Section 19. If the prisoner is admitted to bail, and fails to appear and surrender himself according to the conditions of his bond, the judge by proper order, shall declare the bond forfeited and order his immediate arrest without warrant if he be within this state. Recovery may be had on such bond in the name of the state as in the case of other bonds given by the accused in criminal proceedings within this state.

Section 20. The Governor may in his discretion surrender upon demand of the Executive Authority of another state, any person found in this state, notwithstanding the fact that a criminal prosecution or charges under the laws of this state are pending against such person, or that such person has already been convicted in this state and is serving a sentence in any penal institution of this state. The Governor may condition the release of such prisoner to the demanding state upon such terms as he may stipulate, including the condition that the prisoner be returned to this state immediately after trial and before commencing the service of sentence, if any, in the demanding state: Providing, however, in no case shall surrender of such prisoner be construed as a complete relinquishment of jurisdiction by this state, but such prisoner shall forthwith be returned to the custody of this state at expense of the demanding state, immediately after trial in the demanding state, or the completion of sentence therein, as the case may be.

Section 21. The guilt or innocence of the accused as to the crime of which he is charged may not be inquired into by the Governor or in any proceeding after the demand for extradition accompanied by a charge of crime in legal form as above provided shall have been presented to the Governor, except as it may be involved in identifying the person held as the person charged with the crime.

Section 22. The Governor may recall his warrant of arrest or may issue another warrant whenever he deems proper.

Section 23. Whenever the Governor of this state shall demand a person charged with crime or with escaping from confinement or breaking the terms of his bail, probation or parole in this state, from the Executive Authority of any other state, or from the chief justice or an associate justice of the Supreme Court of the District of Columbia authorized to receive such demand under the laws of the United States, he shall issue a warrant under the seal of this state, to some agent, commanding him to receive the person so charged if delivered to him and convey him to the proper officer of the county in this state in which the offense was committed.

Section 24. (1) When the return to this state of a person charged with crime in this state is required, the Commonwealth's attorney or county attorney shall present to the Governor his written application for a requisition for the return of the person charged, in which application shall be stated the name of the person so charged, the crime charged against him, the approximate time, place and circumstances of its commission, the state in which he is believed to be, including the location of the accused therein at the time the application is made and certifying that, in the opinion of the said prosecuting attorney the ends of justice require the arrest and return of the accused to this state for trial and that the proceeding is not instituted to enforce a private claim.

(2) When the return to this state is required of a person who has been convicted of a crime in this state and escaped from confinement or broken the terms of his bail, probation or parole, the Commonwealth's attorney or county attorney of the county in which the offense was committed, the chairman of the parole board, or the warden of the institution or sheriff of the county, from which escape was made, shall present to the Governor a written application for a requisition for the return of such person, in which application shall be stated the name of the person, the crime of which he was convicted, the circumstances of his escape from confinement or of the breach of the terms of his bail, probation or parole, the state in which he is believed to be, including the location of the person therein at the time application is made.

(3) The aplication shall be verified by affidavit, shall be executed in triplicate and shall be accompanied by three certified copies of the indictment returned, or affidavit made before a judge or magistrate and warrant issued thereon, stating the offense with which the accused is charged, or of the judgment of conviction or of the sentence. The Commonwealth's attorney or county attorney, chairman of the parole board, warden or sheriff may also attach such further affidavits and other documents in triplicate as he shall deem proper to be submitted with such application. One copy of the application, with the action of the Governor indicated by endorsement thereon, and one of the certified copies of the indictment, affidavit and warrant, or of the judgment of conviction or of the sentence shall be filed in the office of the Secretary of State to remain of record in that office. The other copies of all papers shall be forwarded with the Governor's requisition.

Section 25. (1) All legal costs incurred in apprehending and securing in this state fugitives wanted in other states shall be paid by the agent of the state demanding him before the agent is permitted to remove him or received him into custody.

(2) When a person charged with a felony in this state or with having been convicted of a felony here and escaping from confinement or breaking the terms of his bail, probation or parole is arrested in another state and waives extradition proceedings, the circuit judge or county judge of the county in which the felony was committed, upon motion and affidavit of the Commonwealth's attorney or county attorney containing the statements set forth in subsection (1) or subsection (2) of Section 24 of this act, may appoint an agent of this state to return the fugitive without benefit of any procedure incidental to extradition proceedings. Such agent shall receive from the State Treasury the same payment for his expenses as is provided for agents acting under requisition of the Governor. Claims for reimbursement of expenses under this subsection shall be accompanied by a certified copy of the verified application for appointment of the agent and the order of the court appointing, receipt of the county jailer showing delivery of the fugitive, and an order of court allowing the agent his expenses. If the agent is not given possession of the fugitive for reasons beyond the agent's control, he shall nevertheless be reimbursed as provided herein, if prior to his appointment as agent the fugitive had executed before a judge in accordance with law a written waiver stating that he consents to return to this state.

(3) When a person is to be returned to another state at the expense of this state, pursuant to an agreement of the Governor made under authority of Section 6 of this act, the Governor may, upon honoring the demand of the Executive Authority of such other state for surrender of such person, provided by Executive Order that the person designated as the agent of the demanding state shall be re-

imbursed by this state for his expenses in conveying the prisoner to the demanding state. Such agent shall receive from the State Treasury the same payment for his expenses as is provided for agents acting under requisition of the Governor of this state. Claims for reimbursement under this subsection shall be accompanied by a receipt from the jailer of the demanding state showing delivery of the fugitive.

Section 26. A person brought into this state by, or after waiver of, extradition based on a criminal charge shall not be subject to service of personal process in civil actions arising out of the same facts as the criminal proceeding to answer which he is being or has been returned, until he has been convicted in the criminal proceeding, or, if acquitted, until he has had reasonable opportunity to return to the state from which he was extradited.

Section 27. Any person arrested in this state charged with having committed any crime in another state or alleged to have escaped from confinement, or broken the terms of his bail, probation or parole may waive the issuance and service of the warrant provided for in sections 8 and 9 and all other procedure incidental to extradition proceedings, by executing or subscribing in the presence of a judge of any circuit, county or police court within this state a writing which states that he consents to return to the demanding state; provided, however, that before such waiver shall be executed or subscribed by such person it shall be the duty of such judge to inform such person of his rights to the issuance and service of a warrant of extradition and to obtain a writ of habeas corpus as provided for in Section 11.

If and when such consent has been duly executed it shall forthwith be forwarded to the office of the Governor of this state and thereafter filed by him in the office of the Secretary of State. The judge shall direct the officer having such person in custody to deliver forthwith such person to the duly accredited agent or agents of the demanding state, and shall deliver or cause to be delivered to such agent or agents a copy of such consent; provided, however, that nothing in this section shall be deemed to limit the rights of the accused person to return voluntarily and without formality to the demanding state, nor shall this waiver procedure be deemed to be an exclusive procedure or to limit the powers, rights or duties of the officers of the demanding state or of this state.

Section 28. Nothing in this act contained shall be deemed to constitute a waiver by this state of its right, power or privilege to try such demanded person for crime committed within this state, or of its right, power or privilege to regain custody of such person by extradition proceedings or otherwise for the purpose of trial, sentence or punishment for any crime committed within this state, nor shall any proceedings had under this act which result in, or fail to result in, extradition be deemed a waiver by this state of any of its rights, privileges or jurisdiction in any way whatsoever.

Section 29. After a person has been brought back to this state by, or after waiver of extradition proceedings, he may be tried in this state for other crimes which he may be charged with having committed here as well as that specified in the requisition for his extradition.

Section 30. Sections 440.070 and 440.080 of the Kentucky Revised Statutes are repealed.

SB 193, AN ACT relating to the Board of Claims.

WHEREAS, the Court of Appeals, in the cases of Commonwealth of Kentucky, Department of Highways of Commonwealth of Kentucky V. Emma McCoun, and Commonwealth of Kentucky, Department of Highways of Commonwealth of Kentucky V. Orene Swango Davis, decided on February 8, 1958, that a Resolution of the General Assembly authorizing suits against the Commonwealth in excess of five thousand dollars is invalid as special legislation, since by general law such limitations is five thousand dollars; and

WHEREAS, the litigants have thirty days after February 8, 1958, to file a petition of rehearing with the court; and

WHEREAS, the final decision of the Court of Appeals may and could be made after the adjournment of the present session of the General Assembly;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 44.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) A Board of Claims is hereby created and vested with full power and authority to investigate, hear proof, and to compensate persons for damages sustained to either person or property as a proximate result of negligence on the part of the Commonwealth, any of its departments or agencies, or any of its agents or employes while acting within the scope of their employment by the Commonwealth or any of its departments or agencies. The board shall be independent of all agencies and departments of the Commonwealth.

(2) The board shall be composed of five attorneys who are members of the Workmen's Compensation Board and who have been appointed and hold office under the provisions of KRS 342.215 and 342.220.

(3) The board shall have jurisdiction of claims for the recovery of money where the amount in controversy, exclusive of interest and costs, does not exceed $15,000.

Section 2. This Act shall be inoperative if the Court of Appeals, on the petition for rehearing, reverses its present opinions above stated, and affirms the judgments of the lower court.

SB 194, AN ACT concerning fraternal benefit societies, defining certain terms relating thereto, providing for the regulation of fraternal benefit societies and the enforcement of the Act, repealing Chapter 300 of the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any incorporated society, order or supreme lodge, without capital stock, including one exempted under the provisions of Section 43 (b) of this Act whether incorporated or not, conducted solely for the benefit of its members and their beneficiaries and not for profit, operated on a lodge system with ritualistic form of work, having a representative form of government, and which makes provisions for the payment of benefits in accordance with this Act, is hereby declared to be a fraternal benefit society.

When used in this Act the word "society," unless otherwise indicated, shall mean fraternal benefit society.

Section 2. A society having a supreme legislative or governing body and subordinate lodges or branches by whatever name known, into which members are elected, initiated or admitted in accordance with its constitution, laws, ritual and rules, which subordinate lodges or branches shall be required by the laws of the society to hold regular meetings at least once in each month, shall be deemed to be operating on the lodge system.

Section 3. A society shall be deemed to have a representative form of government when:

(a) it provides in its constitution or laws for a supreme legislative or governing body, composed of representatives elected either by the members or by delegates elected directly or indirectly by the members, together with such other members of such body as may be prescribed by the society's constitution and laws;

(b) the representatives elected constitute a majority in number and have not less than two-thirds of the votes nor less than the votes required to amend its constitution and laws;

(c) the meetings of the supreme legislative or governing body and the election of officers, representatives or delegates are held as often as once in four calendar years;

(d) each insured member shall be eligible for election to act or serve as a delegate to such meeting;

(e) the society has a board of directors charged with the responsibility for managing its affairs in the interim between meetings of its supreme legislative or governing body, subject to control by such body and having powers and duties delegated to it in the constitution or laws of the society;

(f) such board of directors is elected by the supreme legislative or governing body, except in case of filling a vacancy in the interim between meetings of such body;

(g) the officers are elected either by the supreme legislative or governing body or by the board of directors; and

(h) the members, officers, representatives or delegates shall not vote by proxy.

Section 4. The organization of a society shall be governed as follows:

(1) Seven or more citizens of the United States, a majority of whom are citizens of this state, who desire to form a fraternal benefit society, may make, sign and acknowledge before some officer, competent to take acknowledgment of deeds, articles of incorporation, in which shall be stated:

(a) the proposed corporate name of the society, which shall not so closely resemble the name of any society or insurance company as to be misleading or confusing;

(b) the purposes for which it is being formed and the mode in which its corporate powers are to be exercised. Such purposes shall not include more liberal powers than are granted by this Act, provided that any lawful, social, intellectual, educational, charitable, benevolent, moral, fraternal or religious advantages may be set forth among the purposes of the society; and

(c) the names and residences of the incorporators and the names, residences and official titles of all the officers, trustees, directors, or other persons who are to have and exercise the general control of the management of the affairs and funds of the society for the first year or until the ensuing election at which all such officers shall be elected by the supreme legislative or governing body, which election shall be held not later than one year from the date of the issuance of the permanent certificate.

(2) Such articles of incorporation, duly certified copies of the constitution, laws, and rules, copies of all proposed forms of certificates, applications therefor, and circulars to be issued by the society and a bond conditioned upon the return to applicants of the advanced payments if the organization is not completed within one year, such bond to be in an amount to be determined by the commissioner of insurance not to exceed the sum of twenty-five thousand dollars with sureties approved by the commissioner of insurance, shall be filed with the commissioner of insurance, who may require such further information as he deems necessary. All documents filed are to be in the English language. If the purposes of the society conform to the requirements of this Act and all provisions of the law have been complied with, the commissioner of insurance shall so certify, retain and file the articles of incorporation and furnish the incorporators a preliminary certificate authorizing the society to solicit members as hereinafter provided.

(3) No preliminary certificate granted under the provisions of this section shall be valid after one year from its date or after such further period, not exceeding one year, as may be authorized by the commissioner of insurance upon cause shown, unless the five hundred applicants hereinafter required have been secured and the organization has been completed as herein provided. The articles of incorporation and all other proceedings thereunder shall become null and void in one year from the date of the preliminary certificate, or at the expiration of the extended period, unless the society shall have completed its organization and received a certificate of authority to do business as hereinafter provided.

(4) Upon receipt of a preliminary certificate from the commissioner of insurance, the society may solicit members for the purpose of completing its organization, shall collect from each applicant the amount of not less than one regular monthly premium in accordance with its table of rates as provided by its constitution and laws, and shall issue to each such applicant a receipt for the amount so collected. No society shall incur any liability other than for the return of such advance premium, nor issue any certificate, nor pay, allow, or offer to promise to pay or allow, any death or disability benefit to any person until:

(a) actual bona fide applications for death benefits have been secured aggregating at least five hundred thousand dollars or not less than five hundred lives;

(b) all such applicants for death benefits shall have furnished evidence of insurability satisfactory to the society;

(c) certificates of examinations or acceptable declarations of insurability have been duly filed and approved by the chief medical examiner of the society;

(d) ten subordinate lodges or branches have been established into which the five hundred applicants have been admitted;

(e) there has been submitted to the commissioner of insurance, under oath of the president or secretary, or corresponding officer of the society, a list of such applicants, giving their names, addresses, date each was admitted, name and number of the subordinate branch of which each applicant is a member, amount of benefits to be granted and premiums therefor; and

(f) it shall have been shown to the commissioner of insurance, by sworn statement of the treasurer, or corresponding officer of such society, that at least five hundred applicants have each paid in cash at least one regular monthly premium as herein provided, which premiums in the aggregate shall amount to at least twenty-five hundred dollars, all of which shall be credited to the fund or funds from which benefits are to be paid and no part of which may be used for expenses. Said advance premiums shall be held in trust during the period of organization and if the society has not qualified for a certificate of authority within one year, as herein provided, such premiums shall be returned to said applicants.

(5) The commissioner of insurance may make such examination and require such further information as he deems advisable. Upon presentation of satisfactory evidence that the society has complied with all the provisions of law and payment of annual license fee, he shall issue to the society a certificate to that effect and that the society is authorized to transact business pursuant to the provisions of this Act. The certificate shall be prima facie evidence of the existence of the society at the date of such certificate. The commissioner of insurance shall cause a record of such certificate to be made. A certified copy of such record may be given in evidence with like effect as the original certificate.

(6) Every society shall have the power to adopt a constitution and laws for the government of the society, the admission of its members, the management of its affairs and the fixing and readjusting of the rates of its members from time to time. It shall have the power to change, alter, add to or amend such constitution and laws and shall have such other powers as are necessary and incidental to carrying into effect the objects and purposes of the society. No such change, alteration, addition or amendment shall be effective until filed with the commissioner.

Section 5. Any incorporated society authorized to transact business in this state at the time this Act becomes effective may thereafter exercise all the rights, powers and privileges prescribed in this Act and in its charter or articles of incorporation as far as consistent with this Act. A domestic society shall not be required to reincorporate.

Section 6. After one year from the effective date of this Act, no unincorporated or voluntary association shall be permitted to transact business in this state.

Any domestic voluntary association now authorized to transact business in this state may incorporate and shall receive from the commissioner of insurance a permanent certificate of incorporation as a fraternal benefit society when:

(a) it shall have completed its conversion to an incorporated society not later than one year from the effective date of this Act;

(b) it has filed its articles of incorporation and has satisfied the other requirements described in Section 4; and

(c) the commissioner of insurance shall have made such examination and procured whatever additional information he shall deem advisable.

Every voluntary association so incorporated shall incur the obligations and enjoy the benefits thereof the same as though originally incorporated, and such corporation shall be deemed a continuation of the original voluntary association. The officers thereof shall service through their respective terms as provided in its original articles of association, but their successors shall be elected and serve as provided in its articles of incorporation. Incorporation of a voluntary association shall not affect existing suits, claims or contracts.

Section 7. The principal office of any domestic society shall be located in this state. The meetings of its supreme legislative or governing body may be held in any state, district, province or territory wherein such society has at least five subordinate branches and all business transacted at such meetings shall be as valid in all respects as if such meetings were held in this state.

Section 8. A domestic society may consolidate or merge with any other society by complying with the provisions of this section.

It shall file with the commissioner of insurance:

(a) a certified copy of the written contract containing in full the terms and conditions of the consolidation or merger;

(b) a sworn statement by the president and secretary or corresponding officers of each society showing the financial condition thereof on a date fixed by the commissioner of insurance but not earlier than December thirty-first, next preceding the date of the contract;

(c) a certificate of such officers, duly verified by their respective oaths, that the consolidation or merger has been approved by a two-thirds vote of the supreme legislative or governing body of each society; and

(d) evidence that at least sixty days prior to the action of the supreme legislative or governing body of each society, the text of the contract has been furnished to all members of each society either by mail or by publication in full in the official organ of each society.

If the commissioner of insurance finds that the contract is in conformity with the provisions of this section, that the financial statements are correct and that the consolidation or merger is just and equitable to the members of each society, he shall approve the contract and issue his certificate to such effect. Upon such approval, the contract shall be in full force and effect unless any society which is a party to the contract is incorporated under the laws of any other state or territory. In such event the consolidation or merger shall not become effective unless and until it has been approved as provided by the laws of such state or territory and a certificate of such approval filed with the commissioner of insurance of this state or, if the laws of such state or territory contain no such provision, then the consolidation or merger shall not become effective unless and until it has been approved by the commissioner of insurance of such state or territory and a certificate of such approval filed with the commissioner of insurance of this state.

Upon the consolidation or merger becoming effective as herein provided, all the rights, franchises and interests of the consolidated or merged societies in and to every species of property, real, personal or mixed, and things in action thereunto belonging shall be vested in the society resulting from or remaining after the consolidation or merger without any other instrument, except that conveyances of real property may be evidenced by proper deeds, and the title to any real estate or interest therein, vested under the laws of this state in any of the societies consolidated or merged, shall not revert or be in any way impaired by reason of the consolidation or merger but shall vest absolutely in the society resulting from or remaining after such consolidation or merger.

The affidavit of any officer of the society or of anyone authorized by it to mail any notice or document, stating that such notice or document has been duly addressed and mailed, shall be prima facie evidence that such notice or document has been furnished the addressees.

Section 9. Any domestic fraternal benefit society may be converted and licensed as a mutual life insurance company by compliance with all the requirements of KRS 304.150 to 304.194 if such plan of conversion has been approved by the commissioner of insurance. Such plan shall be prepared in writing setting forth in full the terms and conditions thereof. The board of directors shall submit such plan to the supreme legislative or governing body of such society at any regular or special meeting thereof, by giving a full, true and complete copy of such plan with the notice of such meeting. Such notice shall be given as provided in the laws of the society for the convocation of a regular or special meeting of such body, as the case may be. The affirmative vote of two-thirds of all members of such body shall be necessary for the approval of such agreement. No such conversion shall take effect unless and until approved by the commissioner of insurance who may give such approval if he finds that the proposed change is in conformity with the requirements of law and not prejudicial to the certificate holders of the society.

Section 10. A society may admit to benefit membership any person not less than fifteen years of age, nearest birthday, who has furnished evidence of insurability acceptable to the society. Any such member who shall apply for additional benefits more than six months after becoming a benefit member shall pass an additional medical examination, or make an additional declaration of insurability, as required by the society.

Any person admitted prior to attaining the full age of twenty-one years shall be bound by the terms of the application and certificate and by all the laws and rules of the society and shall be entitled to all the rights and privileges of membership therein to the same extent as though the age of majority had been attained at the time of application. A society may also admit general or social members who shall have no voice or vote in the management of its insurance affairs.

Section 11. A domestic society may amend its articles of incorporation, constitution or laws in accordance with the provisions thereof by action of its supreme legislative or governing body at any regular or special meeting thereof or, if its articles of incorporation, constitution or laws so provide, by referendum. Such referendum may be held in accordance with the provisions of its articles of incorporation, constitution or laws by the vote of the voting members of the society, by the vote of delegates or representatives of voting members or by the vote of local lodges or branches. No amendment submitted for adoption by referendum shall be adopted unless, within six months from the date of submission thereof, a majority of all of the voting members of the society shall have signified their consent to such amendment by one of the methods herein specified.

No amendment to the articles of incorporation, constitution or laws of any domestic society shall take effect unless approved by the commissioner of insurance who shall approve such amendment if he finds that it has been duly adopted and is not inconsistent with any requirement of the laws of this state or with the character, objects and purposes of the society. Unless the commissioner of insurance shall disapprove any such amendment within sixty days after the filing of same, such amendment shall be considered approved. The approval or disapproval of the commissioner of insurance shall be in writing and mailed to the secretary or corresponding officer of the society at its principal office. In case he disapproves such amendment, the reasons therefor shall be stated in such written notice.

Within ninety days from the approval thereof by the commissioner of insurance, all such amendments, or a synopsis thereof, shall be furnished to all members of the society either by mail or by publication in full in the official organ of the society. The affidavit of any officer of the society or of anyone authorized by it to mail any amendments or synopsis thereof, stating facts which show that same have been duly addressed and mailed, shall be prima facie evidence that such amendments or synopsis thereof, have been furnished the addressee.

Every foreign or alien society authorized to do business in this state shall file with the commissioner of insurance a duly certified copy of all amendments of, or additions to, its articles of incorporation, constitution or laws within ninety days after the enactment of same.

Printed copies of the constitution or laws as amended, certified by the secretary or corresponding officer of the society shall be prima facie evidence of the legal adoption thereof.

Section 12. It shall be lawful for a society to create, maintain and operate charitable, benevolent or educational institutions for the benefit of its members and their families and dependents and for the benefit of children insured by the society. For such purpose it may own, hold or lease personal property or real property located within or without this state, with necessary buildings thereon. Such property shall be reported in every annual statement but shall not be allowed as an admitted asset of such society.

Maintenance, treatment and proper attendance in any such institution may be furnished free or a reasonable charge may be made therefor, but no such institution shall be operated for profit. The society shall maintain a separate accounting of any income and disbursements under this section and report them in its annual statement. No society shall own or operate funeral homes or undertaking establishments.

Section 13. A society may pay benefits, other than insurance benefits, to its members from any special account or fund maintained for such purpose; provided that if such benefits are of such a nature that they could constitute benefits within the classes of insurance set forth in Section 15 of this Act, a society making such payments may not:

(a) make any separate charge therefor;

(b) issue any certificate, policy or other document promising such payments;

(c) Provide in its constitution, laws or any other document that such payments may be received by the member as a matter of right; or

(d) advertise such payments as insurance or as payments to which the member has any right.

The society shall maintain a separate accounting of all disbursements made under this section and report them in its annual statement.

Section 14. The officers and members of the supreme, grand or any subordinate body of a society shall not be personally liable for payment of any benefits provided by a society.

Section 15. A society authorized to do business in this state may provide for the payment of:

(a) death benefits in any form;

(b) endowment benefits;

(c) annuity benefits;

(d) temporary or permanent disability benefits as a result of disease occurring before age sixty-five or accident at any age;

(e) hospital, medical or nursing benefits due to sickness or bodily infirmity occurring before age sixty-five or accident at any age;

(f) monument or tombstone benefits to the memory of deceased members not exceeding in any case the sum of three hundred dollars; and

(g) any such benefits may be provided for a member or upon application of a member for the member's family, including the member, the member's spouse and minor children in one or more certificates.

Section 16. A society may provide for benefits on the lives of children under the minimum age for adult membership but not greater than twenty-one years of age at time of application therefor, upon the application of some adult person, as its laws or rules may provide, which benefits shall be in accordance with the provisions of Section 15 of this Act. A society may, at its option, organize and operate branches for such children. Membership and initiation in local lodges shall not be required of such children, nor shall they have a voice in the management of the society.

Children insured under certificates issued pursuant to this section shall be transferred to and become members of the adult branch of the society upon attaining the minimum age for adult membership under the laws of the society.

A society shall have power to provide for the designation and changing of designation of beneficiaries in the certificates providing for such benefits and to provide in all other respects for the regulation, government and control of such certificates and all rights, obligations and liabilities incident thereto and connected therewith.

Section 17. A society may grant paid-up non-forfeiture benefits, cash surrender values, certificate loans and such other options as its laws may permit. As to certificates issued on and after the effective date of this Act, a society shall grant at least one paid-up nonforfeiture benefit.

In the case of certificates other than those for which reserves are computed on the Commissioners 1941 Standard Ordinary Mortality Table or the 1941 Standard Industrial Table, the value of every paid-up non-forfeiture benefit and the amount of any cash surrender value, loan or other option granted shall not be less than the excess, if any, of (a) over (b) as follows:

(a) the reserve under the certificate determined on the basis specified in the certificate; and

(b) the sum of any indebtedness to the society on the certificate, including interest due and accrued, and a surrender charge equal to two and one-half percent of the face amount of the certificate, which, in the case of insurance on the lives of children, shall be the ultimate face amount of the certificate, if death benefits provided therein are graded.

However, in the case of certificates issued on an substandard basis or in the case of certificates, the reserves for which are computed upon the American Men Ultimate Table of Mortality, the term of any extended insurance benefit granted including accompanying pure endowment, if any, may be computed upon the rates of mortality not greater than one hundred thirty percent of those shown by the mortality table specified in the certificate for the computation of the reserve.

In the case of certificates for which reserves are computed on the Commissioners 1941 Standard Ordinary Mortality Table or the 1941 Standard Industrial Table, every paid-up non-forfeiture benefit and the amount of any cash surrender value, loan or other option granted shall not be less than the corresponding amount ascertained in accordance with the provisions of the laws of this state applicable to life insurance companies issuing policies containing like insurance benefits based upon such tables.

Section 18. The member shall have the right at all times to change the beneficiary or beneficiaries in accordance with the constitution, laws or rules of the society. Every society by its constitution, laws or rules may limit the scope of beneficiaries and shall provide that no beneficiary shall have or obtain any vested interest in the proceeds of any certificate until the certificate has become due and payable in conformity with the provisions of the insurance contract.

A society may make provision for the payment of funeral benefits to the extent of such portion of any payment under a certificate as might reasonably appear to be due to any person equitably entitled thereto by reason of having incurred expense occasioned by the burial of the member, provided the portion so paid shall not exceed the sum of $500.

Any society may pay the benefits due to minors in monthly instalments of not over twenty-five dollars per month for each minor beneficiary to the person or persons who in the opinion of the society are caring for and supporting such beneficiary, and such payment shall be a complete discharge of the society's liability to the extent of such payments.

If, at the death of any member, there is no lawful beneficiary to whom the insurance benefits shall be payable, the amount of such benefits, except to the extent that funeral benefits may be paid as hereinbefore provided, shall be payable to the personal representative of the deceased member.

Section 19. No money or other benefit, charity, relief or aid to be paid, provided or rendered by any society, shall be liable to attachment, garnishment or other process, or to be seized, taken, appropriated or applied by any legal or equitable process or operation of law to pay any debt or liability of a member or beneficiary, or any other person who may have a right thereunder, either before or after payment by the society.

Section 20. Every society authorized to do business in this state shall issue to each benefit member a certificate specifying the amount of benefits provided thereby. The certificate, together with any riders or endorsements attached thereto, the charter or articles of incorporation, the constitution and laws of the society, the application for membership, and declaration of insurability, if any, signed by the applicant, and all amendments to each thereof, shall constitute the agreement, as of the date of issuance, between the society and the member, and the certificate shall so state. A copy of the application for membership and of the declaration of insurability, if any, shall be endorsed upon or attached to the certificate.

All statements purporting to be made by the member shall be representations and not warranties. Any waiver of this provision shall be void.

Any changes, additions or amendments to the charter or articles of incorporation, constitution or laws duly made or enacted and approved by the commissioner of insurance subsequent to the issuance of the certificate, shall bind the member and the beneficiaries, and shall govern and control the agreement in all respects the same as though such changes, additions or amendments had been made prior to and were in force at the time of the application for membership except that no change, addition, or amendment shall destroy or diminish benefits which the society contracted to give the member as of the date of issuance.

Copies of any of the documents mentioned in this section, certified by the secretary or corresponding officer of the society, shall be received in evidence of the terms and conditions thereof.

A society shall provide in its constitution or laws that if its reserves as to all or any class of certificates become impaired its board of directors or corresponding body may require that there shall be paid by the member to the society the amount of the member's equitable proportion of such deficiency as ascertained by its board, and that if the payment be not made it shall stand as an indebtedness against the certificate and draw interest not to exceed five percent per annum compounded annually.

Section 21. After one year from the effective date of this Act, no life benefit certificate shall be delivered or issued for delivery in this state unless a copy of the form shall have been filed with and approved by the commissioner of insurance.

(1) The certificate shall contain in substance the following standard provisions or, in lieu thereof, provisions which are more favorable to the member:

(a) title on the face and filing page of the certificate clearly and correctly describing its form;

(b) a provision stating the amount of rates, premiums or other required contributions, by whatever name known, which are payable by the insured under the certificate;

(c) a provision that the member is entitled to a grace period of not less than a full month (or thirty days at the option of the society) in which the payment of any premium after the first, may be made. During such grace period the certificate shall continue in full force, but in case the certificate becomes a claim during the grace period before the overdue payment is made, the amount of such overdue payment or payments may be deducted in any settlement under the certificate;

(d) a provision that the member shall be entitled to have the certificate reinstated at any time within three years from the due date of the premium in default, unless the certificate has been completely terminated through the application of a nonforfeiture benefit, cash surrender value or certificate loan, upon the production of evidence of insurability satisfactory to the society and the payment of all overdue premiums and any other indebtedness to the society upon the certificate, together with interest on such premiums and such indebtedness, if any, at a rate not exceeding six percent per annum compounded annually;

(e) except in the case of pure endowment, annuity or reversionary annuity contracts, reducing term insurance contracts, or contracts of term insurance of uniform amount of fifteen years or less expiring before age sixty-six, a provision that, in the event of default in payment of any premium after three full years' premiums have been paid or after premiums for a lesser period have been paid if the contract so provides, the society will grant, upon proper request not later than sixty days after the due date of the premium in default, a paid-up non-forfeiture benefit on the plan stipulated in the certificate, effective as of such due date, of such value as specified in this Act. The certificate may provide, if the society's laws so specify or if the member shall so elect prior to the expiration of the grace period of any overdue premium, that default shall not occur so long as premiums can be paid under the provisions of an arrangement for automatic premium loan as may be set forth in the certificate;

(f) a provision that one paid-up non-forfeiture benefit as specified in the certificate shall become effective automatically unless the member elects another available paid-up non-forfeiture benefit, not later than sixty days after the due date of the premium in default;

(g) a statement of the mortality table and rate of interest used in determining all paid-up non-forfeiture benefits and cash surrender options available under the certificate, and a brief general statement of the method used in calculating such benefits;

(h) a table showing in figures the value of every paid-up nonforfeiture benefit and cash surrender option available under the certificate for each certificate anniversary either during the first twenty certificate years or during the term of the certificate, whichever is shorter;

(i) a provision that the certificate shall be incontestable after it has been in force during the lifetime of the member for a period of two years from its date of issue except for nonpayment of premiums, violation of the provisions of the certificate relating to military, aviation, or naval service and violation of the provisions relating to suspension or expulsion as substantially set forth in the certificate. At the option of the society, supplemental provisions relating to benefits in the event of temporary or permanent disability or hospitalization and provisions which grant additional insurance specifically against death by accident or accidental means, may also be excepted. The certificate shall be incontestable on the grounds of suicide after it has been in force during the lifetime of the member for a period of two years from date of issue. The certificate may provide, as to statements made to procure reinstatement, that the society shall have the right to contest a reinstated certificate within a period of two years from date of reinstatement with the same exceptions as herein provided;

(j) a provision that in case the age of the member or of the beneficiary is considered in determining the premium and it is found at any time before final settlement under the certificate that the age has been misstated, and the discrepancy and premium involved have not been adjusted, the amount payable shall be such as the premium would have purchased at the correct age; but if the correct age was not an insurable age under the society's charter or laws, only the premiums paid to the society, less any payments previously made to the member, shall be returned or, at the option of the society, the amount payable under the certificate shall be such as the premium would have purchased at the correct age according to the society's promulgated rates and any extension thereof based on actuarial principles;

(k) a provision or provisions which recite fully, or which set forth the substance of, all sections of the charter, constitution, laws, rules or regulations of the society, in force at the time of issuance of the certificate, the violation of which will result in the termination of, or in the reduction of, the benefit or benefits payable under the certificate;

(l) if the constitution or laws of the society provide for expulsion or suspension of a member, any member so expelled or suspended, except for nonpayment of a premium or within the contestable period for material misrepresentations in such member's application for membership shall have the privilege of maintaining his insurance in force by continuing payment of the required premium; and

(m) in the case of a certificate issued by a foreign or alien society, a provision that the rights or obligations of the member or of any person rightfully claiming under the certificate shall be governed by the laws of this state.

Any of the foregoing provisions or portions thereof not applicable by reason of the plan of insurance or because the certificate is an annuity certificate may, to the extent inapplicable, be omitted from the certificate.

(2) After one year from the effective date of this Act, no life benefit certificate shall be delivered or issued for delivery in this state containing in substance any of the following provisions:

(a) any provision limiting the time within which any action at law or in equity may be commenced to less than two years after the cause of action shall accrue;

(b) any provision by which the certificate shall purport to be issued or to take effect more than six months before the original application for the certificate was made, except in case of transfer from one form of certificate to another in connection with which the member is to receive credit for any reserve accumulation under the form of certificate from which the transfer is made; or

(c) any provision for forfeiture of the certificate for failure to repay any loan thereon or to pay interest on such loan while the total indebtedness, including interest, is less than the loan value of the certificate.

(3) The word "premiums" as used in this Act means premiums, rates, or other required contributions by whatever name known.

Section 22. No domestic, foreign or alien society authorized to do business in this state shall issue or deliver in this state any certificate or other evidence of any contract of accident insurance or health insurance or of any total and permanent disability insurance contract unless and until the form thereof, together with the form of application and all riders or endorsements for use in connection therewith, shall have been filed with the commissioner of insurance and approved by him as conforming to reasonable rules and regulations from time to time made by him and as not inconsistent with any other provisions of law applicable thereto. The commissioner of insurance shall, within a reasonable time after the filing of any such form, notify the society filing the same either of his approval or of his disapproval of such form. The commissioner of insurance may approve any such form which in his opinion contains provisions on any one or more of the several requirements made by him which are more favorable to the members than the one or ones so required. Pursuant to the foregoing provisions the commissioner of insurance shall have power, from time to time, to make, alter and supersede reasonable regulations prescribing the required, optional and prohibited provisions in such contracts, and such regulations shall conform, as far as practical, to the provisions of KRS 304.707 to 304.749. Where the commissioner of insurance deems inapplicable, either in part or in their entirety, the provisions of the foregoing sections, he may prescribe the portions or summary thereof of the contract to be printed on the certificate issued to the member. Any filing made hereunder shall be deemed approved unless disapproved within sixty days from the date of such filing.

Section 23. The constitution and laws of the society may provide that no subordinate body, nor any of its subordinate officers or members shall have the power of authority to waive any of the provisions of the laws and constitution of the society. Such provision shall be binding on the society and every member and beneficiary of a member.

Section 24. A domestic society may, by a reinsurance agreement, cede any individual risk or risks in whole or in part to an insurer (other than another fraternal benefit society) having the power to make such reinsurance and authorized to do business in this state, or if not so authorized, one which is approved by the commissioner of insurance; but no such society may reinsure substantially all of its insurance in force without the written permission of the commissioner of insurance. It may take credit for the reserves on such ceded risks to the extent reinsured, but no credit shall be allowed as an admitted asset or a deduction from liability, to a ceding society for reinsurance made, ceded, renewed, or otherwise becoming effective after the effective date of this Act, unless the reinsurance is payable by the assuming insurer on the basis of the liability of the ceding society under the contract or contracts reinsured without diminution because of the insolvency of the ceding society.

Section 25. Societies which are now authorized to transact business in this state may continue such business until the first day of May next succeeding the effective date of this Act. The authority of such societies and all societies hereafter licensed, may thereafter be renewed annually, but in all cases to terminate on the first day of the succeeding May. However, a license so issued shall continue in full force and effect until the new license be issued or specifically refused. For each such license or renewal the society shall pay the commissioner of insurance twenty dollars. A duly certified copy or duplicate of such license shall be prima facie evidence that the license is a fraternal benefit society within the meaning of this Act.

Section 26. No foreign or alien society shall transact business in this state without a license issued by the commissioner of insurance. Any such society may be licensed to transact business in this state upon payment of the annual license fee and filing with the commissioner of insurance:

(a) a duly certified copy of its charter or articles of incorporation;

(b) a copy of its constitution and laws, certified by its secretary or corresponding officer;

(c) a power of attorney to the commissioner of insurance as prescribed in Section 30;

(d) a statement of its business under oath of its president and secretary or corresponding officers in a form prescribed by the commissioner of insurance, duly verified by an examination made by the supervising insurance official of its home state or other state, territory, province or country, satisfactory to the commissioner of insurance of this state;

(e) a certificate from the proper official of its home state, territory, province or country that the society is legally incorporated and licensed to transact business therein;

(f) copies of its certificate forms; and

(g) such other information as he may deem necessary; and upon a showing that its assets are invested in accordance with the provisions of this Act.

Any foreign or alien society desiring admission to this state shall have the qualifications required of domestic societies organized under this Act.

Section 27. When the commissioner of insurance upon investigation finds that a domestic society:
(a) has exceeded its powers;
(b) has failed to comply with any provision of this Act;
(c) is not fulfilling its contract in good faith;
(d) has a membership of less than four hundred after an existence of one year or more; or
(e) is conducting business fraudulently or in a manner hazardous to its members, creditors, the public or the business; he shall notify the society of his findings, state in writing the reasons for his dissatisfaction, and require the society to show cause on a date named why it should not be enjoined from carrying on any business until the violation complained of shall have been corrected, or why an action in quo warranto should not be commenced against the society.

If on such date the society does not present good and sufficient reasons why it should not be so enjoined or why such action should not be commenced, the commissioner of insurance may present the facts relating thereto to the Attorney General who shall, if he deems the circumstances warrant, commence an action to enjoin the society from transacting business or in quo warranto.

The court shall thereupon notify the offices of the society of a hearing. If after a full hearing it appears that the society should be so enjoined or liquidated or a receiver appointed, the court shall enter the necessary order.

No society so enjoined shall have the authority to do business until:
(a) the commissioner of insurance finds that the violation complained of has been corrected;
(b) the costs of such action shall have been paid by the society if the courts find that the society was in default as charged;
(c) the court has dissolved its injunction; and
(d) the commissioner of insurance has reinstated the certificate of authority.

If the court orders the society liquidated, it shall be enjoined from carrying on any further business, whereupon the receiver of the society shall proceed at once to take possession of the books, papers, money and other assets of the society and, under the direction of the court, proceed forthwith to close the affairs of the society and to distribute its funds to those entitled thereto.

No action under this section shall be recognized in any court of this state unless brought by the Attorney General upon request of the commissioner of insurance. Whenever a receiver is to be appointed for a domestic society, the court shall appoint the commissioner of insurance as such receiver.

The provisions of this section relating to hearing by the commissioner of insurance, action by the Attorney General at the request of the commissioner of insurance, hearing by the court, injunction and receivership shall be applicable to a society which shall voluntarily discontinue business.

Section 28. When the commissioner of insurance upon investigation finds that a foreign or alien society transacting or applying to transact business in this state:

(a) has exceeded its powers;

(b) has failed to comply with any of the provisions of this Act;

(c) is not fulfilling its contracts in good faith; or

(d) is conducting its business fraudulently or in a manner hazardous to its members or creditors or the public.

He shall notify the society of his findings, state in writing the reasons for his dissatisfaction and require the society to show cause on a date named why its license should not be suspended, revoked or refused. If on such date the society does not present good and sufficient reason, why its authority to do business in this state should not be suspended, revoked or refused, he may suspend or refuse the license of the society to do business in this state until satisfactory evidence is furnished to him that such suspension or refusal should be withdrawn or he may revoke the authority of the society to do business in this state.

Nothing contained in this section shall be taken or construed as preventing any such society from continuing in good faith all contracts made in this state during the time such society was legally authorized to transact business herein.

Section 29. Agents of societies shall be licensed in accordance with the provisions of this section.

(1) The term "insurance agent" as used in this section means any authorized or acknowledged agent of a society who acts as such in the solicitation, negotiation or procurement or making of a life insurance, accident and health insurance or annuity contract, except that the term "insurance agent" shall not include:

(a) any regular salaried officer or employe of a licensed society who devotes substantially all of his services to activities other than the solicitation of fraternal insurance contracts from the public, and who receives for the solicitation of such contracts no commission or other compensation directly dependent upon the amount of business obtained; or

(b) any agent or representative of a society who devotes, or intends to devote, less than fifty percent of his time to the solicitation and procurement of insurance contracts for such society. Any person who in the preceding calendar year has solicited and procured life insurance contracts on behalf of any society in an amount of insurance in excess of fifty thousand dollars, or, in the case of any other kind or kinds of insurance which the society might write, on the persons of more than twenty-five individuals and who has received or will receive a commission or other compensation therefor, shall be presumed to be devoting, or intending to devote, fifty percent of his time to the solicitation or procurement of insurance contracts for such society.

(2) Any person who in this state acts as insurance agent for a society without having authority so to do by virtue of a license issued and in force pursuant to the provisions of this section shall, except as provided in sub-section (1), be guilty of a misdemeanor.

(3) No society doing business in this state shall pay any commission or other compensation to any person for any services in obtaining in this state any new contract of life, accident or health insurance, or any new annuity contract, except to a licensed insurance agent of such society and except an agent exempted under subsection (1) (b) of this section.

(4) (a) The commissioner of insurance may issue a license to any person who has paid an annual license fee of $5.00 and who has complied with the requirements of this section, authorizing such licensee to act as an insurance agent on behalf of any society named in such license which is authorized to do business in this state.

(b) Before any insurance agent's license shall be issued there shall be on file in the office of the commissioner of insurance the following documents:

(1) a written application by the prospective licensee in such form or forms and supplements thereto, and containing such information, as the commissioner of insurance may prescribe; and

(2) a certificate by the society which is to be named in such license, stating that such society has satisfied itself that the named applicant is trustworthy and competent to act as such insurance agent and that the society will appoint such applicant to act as its agent if the license applied for is issued by the commissioner of insurance. Such certificates shall be executed and acknowledged by an officer or managing agent of such society.

(c) No written or other examination shall be required of any individual seeking to be named as a licensee to represent a fraternal benefit society as its agent.

(d) The commissioner of insurance may refuse to issue or renew any insurance agent's license if in his judgment the proposed licensee is not trustworthy and competent to act as such agent, or his given cause for revocation or suspension of such license, or has failed to comply with any prerequisite for the issuance or renewal, as the case may be, of such license.

(e) Every license issued pursuant to this section, and every renewal thereof, shall expire on December thirty-first of the even-numbered calendar year following the calendar year in which such license or renewal license was issued.

(f) If the application for a renewal license shall have been filed with the commissioner of insurance on or before December thirty-first of the year in which the existing license is to expire, such applicant named in such existing license may continue to act as insurance agent under such existing license, unless same shall be revoked or suspended, until the issuance by the commissioner of insurance of the renewal license or until the expiration of five days after he shall have refused to renew such license and shall have served written notice of such refusal on the applicant. If the applicant shall, within thirty days after such notice is given, notify the commissioner of insurance in writing of his request for a hearing on such refusal, the commissioner of insurance shall, within a reasonable time after receipt of such notice, grant such hearing, and he may, in his discretion, reinstate such license.

(g) Any such renewal license of an insurance agent may be issued upon the application of the society named in the existing license. Such application shall be in the form or forms prescribed by the commissioner of insurance and shall contain such information as he may require. Such application shall contain a certificate executed by the president, or by a vice president, a secretary, an assistant secretary, or corresponding officer by whatever name known, or by an employee expressly designated and authorized to execute such certificate of a domestic or foreign society or by the United States manager of an alien society, stating that the addressee therein given of the agents of such society for whom renewal licenses are requested therein have been verified in each instance immediately preceding the preparation of the application. Notwithstanding the filing of such application, the commissioner of insurance may, after reasonable notice to any such society, require that any or all agents of such society to be named as licensees in renewal licenses shall execute and file separate applications for the renewal of such licenses, as hereinbefore specified, and he may also require that each such application shall be accompanied by the certificate specified in paragraph (b) (2) of subsection (4) of this section.

(5) Every society doing business in this state shall, upon the termination of the appointment of any insurance agent licensed to represent it in this state, forthwith file with the commissioner of insurance a statement, in such form as he may prescribe, of the facts relative to such termination and the cause thereof. Every statement made pursuant to this section shall be deemed a privileged communication.

(6) (a) The commissioner of insurance may revoke or may suspend for such period as he may determine, any insurance agent's license if,

after notice and hearing as specified in this section, he determines that the licensee has:

(1) Violated any provision of, or any obligation imposed by, this section, or has violated any law in the course of his dealings as agent;

(2) made a material misstatement in the application for such license;

(3) been guilty of fraudulent or dishonest practices;

(4) demonstrated his incompetency or untrustworthiness to act as an insurance agent; or

(5) been guilty of rebating as defined by the laws of this state to life insurance companies.

(b) The revocation or suspension of any insurance agent's license shall terminate forthwith the license of such agent. No individual whose license has been revoked shall be entitled to obtain any insurance agent's license under the provisions of this section for a period of one year after such revocation or, if such revocation be judicially reviewed, for one year after the final determination thereof affirming the action of the commissioner of insurance in revoking such license.

Section 30. Every society authorized to do business in this state shall appoint in writing the commissioner of insurance and each successor in office to be its true and lawful attorney upon whom all lawful process in any action of proceedings against it shall be served, and shall agree in such writing that any lawful process against it which is served on said attorney, shall be of the same legal force and validity as if served on said attorney, shall be of the same legal force and validity as if served upon the society, and that the authority shall continue in force so long as any liability remains outstanding in this state. Copies of such appointment, certified by said commissioner of insurance, shall be deemed sufficient evidence thereof and shall be admitted in evidence with the same force and effect as the original thereof might be admitted.

Service shall only be made upon the commissioner of insurance, or if absent, upon the person in charge of his office. It shall be made in duplicate and shall constitute sufficient service upon the society. When legal process against a society is served upon the commissioner of insurance, he shall forthwith forward one of the duplicate copies by registered mail, prepaid, directed to the secretary or corresponding officer. No such service shall require a society to file its answer, pleading or defense in less than thirty days from the date of mailing the copy of the service to a society. Legal process shall not be served upon a society except in the manner herein provided. At the time of serving any process upon the commissioner of insurance, the plaintiff or complainant in the action shall pay to the commissioner of insurance a fee of $2.00.

Section 31. No application or petition for injunction against any domestic, foreign or alien society, or branch thereof, shall be recognized in any court of this state unless made by the Attorney General upon request of the commissioner of insurance.

Section 32. All decisions and findings of the commissioner of insurance made under the provisions of this Act shall be subject to review by proper proceedings in any court of competent jurisdiction in this state, as provided in KRS 304.042 to 304.052.

Section 33. All assets shall be held, invested and disbursed for the use and benefit of the society and no member or beneficiary shall have or acquire individual rights therein or become entitled to any apportionment or the surrender of any part thereof, except as provided in the contract.

A society may create, maintain, invest, disburse and apply any special fund or funds necessary to carry out any purpose permitted by the laws of such society.

Every society, the admitted assets of which are less than the sum of its accrued liabilities and reserves under all of its certificates when valued according to standards required for certificates issued after one year from the effective date of this Act, shall, in every provision of the laws of the society for payments by members of such society, in whatever form made, distinctly state the purpose of the same and the proportion thereof which may be used for expenses, and no part of the money collected for mortuary or disability purposes or the net accretions thereto shall be used for expenses.

Section 34. A society shall invest its funds only in such investments as are authorized by the laws of this state for the investment of assets of life insurance companies and subject to the limitations thereon. Any foreign or alien society permitted or seeking to do business in this state which invests its funds in accordance with the laws of the state, district, territory, county or province in which it is incorporated, shall be held to meet the requirements of this section for the investment of funds.

Section 35. Reports shall be filed and synopsis of annual statements shall be published in accordance with the provisions of this section.

(1) Every society transacting business in this state shall annually, on or before the first day of March, unless for cause shown such time has been extended by the commissioner of insurance, file with the commissioner of insurance a true statement of its financial condition, transactions and affairs for the preceding calendar year and pay a fee of $5.00 for filing same. The statement shall be in general form and context as approved by the National Association of Insurance Commissioners for fraternal benefit societies and as supplemented by additional information required by the commissioner of insurance.

(2) A synopsis of its annual statement providing an explanation of the facts concerning the condition of the society thereby disclosed

shall be printed and mailed to each benefit member of the society not later than June 1 of each year, or, in lieu thereof, such synopsis may be published in the society's official publication.

(3) As a part of the annual statement herein required, each society shall, on or before the first day of March, file with the commissioner of insurance a valuation of its certificates in force on December thirty-first last preceding provided, the commissioner of insurance may, in his discretion for cause shown, extend the time for filing such valuation for not more than two calendar months. Such report of valuation shall show, as reserve liabilities, the difference between the present mid-year value of the promised benefits provided in the certificates of such society in force and the present mid-year value of the future net premiums as the same are in practice actually collected, not including therein any value for the right to make extra assessments and not including any amount by which the present mid-year value of future net premiums exceeds the present mid-year value of promised benefits on individual certificates. At the option of any society, in lieu of the above, the valuation may show the net tabular value. Such net tabular value as to certificates issued prior to one year after the effective date of this Act shall be determined in accordance with the provisions of law applicable prior to the effective date of this Act and as to certificates issued on or after one year from the effective date of this Act shall not be less than the reserves determined according to the Commissioners' Reserve Valuation method as hereinafter defined. If the premium charged is less than the tabular net premium according to the basis of valuation used, an additional reserve equal to the present value of the deficiency in such premiums shall be set up and maintained as a liability. The reserve liabilities shall be properly adjusted in the event that the mid-year or tabular values are not appropriate.

(4) Reserves according to the Commissioners' Reserve Valuation method, for the life insurance and endowment benefits of certificates providing for a uniform amount of insurance and requiring the payment of uniform premiums shall be the excess, if any, of the present value, at the date of valuation, of such future guaranteed benefits provided for by such certificates, over the then present value of any future modified net premiums therefor. The modified net premiums for any such certificate shall be such uniform percentage of the respective contract premiums for such benefits that the present value, at the date of issue of the certificate, of all such modified net premiums shall be equal to the sum of the then present value of such benefits provided for by the certificate and the excess of (a) over (b) as follows:

(a) a net level premium equal to the present value, at the date of issue, of such benefits provided for after the first certificate year, divided by the present value, at the date of issue, of an annuity of one per annum payable on the first and each subsequent anniversary of such certificate on which a premium falls due; provided however, that such net level annual premium shall not exceed the net level annual premium on the nineteen-year premium whole life plan for insurance of the same amount at an age one year higher than the age at issue of such certificate; and

(b) a net one-year term premium for such benefits provided for in the first certificate year.

Reserves according to the Commissioners' Reserve Valuation method for (1) life insurance benefits for varying amounts of benefits or requiring the payment of varying premiums, (2) annuity and pure endowment benefits, (3) disability and accidental death benefits in all certificates and contracts, and (4) all other benefits except life insurance and endowment benefits, shall be calculated by a method consistent with the principles of this subsection.

(5) The present value of deferred payments due under incurred claims or matured certificates shall be deemed a liability of the society and shall be computed upon mortality and interest standards prescribed in the following subsection.

(6) Such valuation and underlying data shall be certified by a competent actuary or, at the expense of the society, verified by the actuary of the Department of Insurance of the state of domicile of the society.

The minimum standards of valuation for certificates issued prior to one year from the effective date of this Act shall be those provided by the law applicable immediately prior to the effective date of this Act but not lower than the standards used in the calculating of rates for such certificates.

The minimum standard of valuation for certificates issued after one year from the effective date of this Act shall be three and one-half percent interest and the following tables:

(a) for certificates of life insurance — American Men Ultimate Table of Mortality, with Bowerman's or Davis' Extension thereof or with the consent of the Commissioner of Insurance, the Commissioner's 1941 Standard Ordinary Mortality Table or the Commissioner's 1941 Standard Industrial Table of Mortality.

(b) for annuity certificates, including life annuities provided or available under optional modes of settlement in such certificates — the 1937 Standard Annuity Table;

(c) for disability benefits issued in connection with life benefits certificates—Hunter's Disability Table, which, for active lives, shall be combined with a mortality table permitted for calculating the reserves on life insurance certificates, except that the table known as Class III Disability Table (1926) modified to conform to the contractual waiting period, shall be used in computing reserves for disability benefits under a contract which presumes the total disability shall be considered to be permanent after a specified period;

(d) for accidental death benefits issued in connection with life benefits certificates—the Inter-Company Double Indemnity Mortality Table combined with a mortality table permitted for calculating the reserves for life insurance certificates; and

(e) for non-cancellable accident and health benefits—the Class III Disability Table (1926) with conference modifications or, with the consent of the commissioner of insurance, tables based upon the society's own experience.

The commissioner of insurance may, in his discretion, accept other standards for valuation if he finds that the reserves produced thereby will not be less in the aggregate than reserves computed in accordance with the minimum valuation standard herein prescribed. The commissioner of insurance, may, in his discretion, vary the standards of mortality applicable to all certificates of insurance on substandard lives or other extra hazardous lives by any society authorized to do business in this state. Whenever the mortality experience under all certificates valued on the same mortality table is in excess of the expected mortality according to such table for a period of three consecutive years, the commissioner of insurance may require additional reserves when deemed necessary in his judgment on account of such certificates.

Any society, with the consent of the commissioner of insurance of the state of domicile of the society and under such conditions, if any, which he may impose, may establish and maintain reserves on its certificates in excess of the reserves required thereunder, but the contractual rights of any insured member shall not be affected thereby.

(7) A society neglecting to file the annual statement in the form and within the time provided by this section shall forfeit $100 for each day during which such neglect continues, and, upon notice by the commissioner of insurance to that effect, its authority to do business in this state shall cease while such default continues.

Section 36. The commissioner of insurance or any person he may appoint, shall have the power of visitation and examination into the affairs of any domestic society and he shall make such examination at least once in every three years. He may employ assistants for the purpose of such examination, and he, or any person he may appoint, shall have free access to all books, papers and documents that relate to the business of the society. The minutes of the proceedings of the supreme legislative or governing body and of the board of directors or corresponding body of a society shall be in the English language. In making any such examination the commissioner of insurance may summon and qualify as witnesses under oath examine its officers, agents and employes or other persons in relation to the affairs, transactions and condition of the society. A summary of the report of the commissioner of insurance and such recommendations or statements of the commissioner of insurance as may accompany such report, shall be read at the first meeting of the board of directors or corresponding body of the society following the receipt thereof, and if directed so to do by the commissioner of insurance, shall also be read at the first meeting of the supreme legislative or governing body of the society following the receipt thereof. A copy of the report, recommendations and statements of the commissioner of insurance shall be furnished by the society to each member of such board of directors or other governing body. The expense of each examination of each valuation, including compensation and actual expense of examiners, shall be paid by the society examined or whose certificates are valued, upon statements furnished by the commissioner of insurance.

Section 37. The commissioner of insurance, or any person whom he may appoint, may examine any foreign or alien society transacting or applying for admission to transact business in this state. He may employ assistants and he, or any person he may appoint, shall have free access to all books, papers and documents that relate to the business of the society. He may in his discretion accept, in lieu of such examination, the examination of the Insurance Department of the state, territory, district, province or country where such society is organized. The compensation and actual expenses of the examiners making any examination or general or special valuation shall be paid by the society examined or by the society whose certificate obligations have been valued, upon statements furnished by the commissioner of insurance.

Section 38. Pending, during or after an examination or investigation of a society, either domestic, foreign or alien, the commissioner of insurance shall make public no financial statement, report or finding, nor shall he permit to become public any financial statement, report or finding affecting the status, standing or rights of any society, until a copy thereof shall have been served upon the society at its principal office and the society shall have been afforded a reasonable opportunity to answer any such financial statement, report or finding and to make such showing in connection therewith as it may desire.

Section 39. No person shall cause or permit to be made, issued or circulated in any form:

(a) any misrepresentation or false or misleading statement concerning the terms, benefits or advantages of any fraternal insurance contract now issued or to be issued in this state, or the financial condition of any society;

(b) any false or misleading estimate or statement concerning the dividends or shares of surplus paid or to be paid by any society on any insurance contract; or

(c) any incomplete comparison of an insurance contract of one society with an insurance contract of another society or insurer for the purpose of inducing the lapse, forfeiture or surrender of any insurance contract. A comparison of insurance contracts is incomplete if it does not compare in detail:

(1) the gross rates, and the gross rates less any dividend or other reduction allowed at the date of the comparison; and

(2) any increase in cash values, and all the benefits provided by each contract for the possible duration thereof as determined by the life expectancy of the insured;

or if it omits from consideration:

(3) any benefits or value provided in the contract;

(4) any differences as to amounts or period of rates;

or

(5) any differences in limitations or conditions or provisions which directly or indirectly affect the benefits. In any determination of the incompleteness or misleading character of any comparison or statement, it shall be presumed that the insured had no knowledge of any of the contents of the contract involved.

Any person who violates any provision of this section or knowingly receives any compensation or commission by or in consequence of such violation, shall upon conviction be punished by a fine of not less than one hundred dollars nor more than five hundred dollars or by imprisonment in the county jail not less than thirty days nor more than one year, or both fine and imprisonment and shall in addition, be liable for a civil penalty in the amount of three times the sum received by such violator as compensation or commission, which penalty may be sued for and recovered by any person or society aggrieved for his or its own use and benefit in accordance with the provisions of civil practice.

Section 40. No society doing business in this state shall make or permit any unfair discrimination between insured and members of the same class and equal expectation of life in the premiums charged for certificates of insurance, in the dividends or other benefits payable thereon or in any other of the terms and conditions of the contracts it makes.

No society, by itself, or any other party, and no agent or solicitor, personally, or by any other party, shall offer, promise, allow, give, set off, or pay, directly or indirectly, any valuable consideration or inducement to, or for insurance, on any risk authorized to be taken by such society, which is not specified in the certificate. No member shall receive or accept, directly or indirectly, any rebate of premium, or part thereof, or agent's or solicitor's commission thereon, payable on any certificate or receive or accept any favor or advantage or share in the dividends or other benefits to accrue on, or any valuable consideration or inducement not specified in the contract of insurance.

Section 41. Every society organized or licensed under this Act is hereby declared to be a charitable and benevolent institution, and all of its funds shall be exempt from all and every state, county, district, municipal and school tax other than taxes on real estate and office equipment.

Section 42. Except as herein provided, societies shall be governed by this Act and shall be exempt from all other provisions of the insurance laws of this state, not only in governmental relations with the state, but for every other purpose. No law hereafter enacted shall apply to them, unless they be expressly designated therein.

Section 43. Nothing contained in this Act shall be so construed as to affect or apply to:

(a) grand or subordinate lodges of societies, orders or association now doing business in this state which provide benefits exclusively through local or subordinate lodges;

(b) orders, societies or associations which admit to membership only persons engaged in one or more crafts or hazardous occupations, in the same or similar lines of business, and the ladies' societies or ladies' auxiliaries to such orders, societies or associations;

(c) domestic societies which limit their membership to employees of a particular city or town, designated firm, business house or corporation which provide for a death benefit or not more than four hundred dollars or disability benefits of not more than three hundred fifty dollars to any person in any one year, or both; or

(d) domestic societies or associations of a purely religious, charitable or benevolent description, which provide for a death benefit of not more than four hundred dollars or for disability benefits of not more than three hundred fifty dollars to any one person in any one year, or both.

Any such society or association described in clauses (c) or (d) supra which provides for death or disability benefits for which benefit certificates are issued, and any such society or association included in paragraph (d) which has more than one thousand members, shall not be exempted from the provisions of the Act but shall comply with all requirements thereof.

No society which, by the provisions of this section, is exempt from the requirements of this Act, except any society described in paragraph (b), supra, shall give or allow, or promise to give or allow to any person any compensation for procuring new members.

Every society which provides for benefits in case of death or disability resulting solely from accident, and which does not obligate itself to pay natural death or sick benefits shall have all of the privileges and be subject to all the applicable provisions and regulations of this Act except that the provisions thereof relating to medical examination, valuations of benefit certificates, and incontestability, shall not apply to such society.

The commissioner of insurance may require from any society or association, by examination or otherwise, such information as will enable him to determine whether such society or association is exempt from the provisions of this Act.

Section 44. Any person who willfully makes a false or fraudulent statement in or relating to an application for membership or for the purpose of obtaining money from or a benefit in any society, shall upon conviction be fined not less than $100 nor more than $500 or imprisonment in the county jail not less than thirty days nor more than one year, or both.

Any person who willfully makes a false or fraudulent statement in any verified report or declaration under oath required or authorized by this Act, or of any material fact or thing contained in a sworn statement concerning the death or disability of a member for the purpose of procuring payment of a benefit named in the certificate, shall be guilty of perjury and shall be subject to the penalties therefor prescribed by law.

Any person who solicits membership for, or in any manner assists in procuring membership in, any society not licensed to do business in this state shall upon conviction be fined not less than $50 nor more than $200.

Any person guilty of a willful violation of, or neglect or refusal to comply with, the provisions of this Act for which a penalty is not otherwise prescribed, shall upon conviction, be subject to a fine of not more than $200.00.

Section 45. If any provision of this Act or the application of such provision to any circumstances is held invalid, the remainder of the Act or the application of the provision to other circumstances, shall not be affected thereby.

Section 46. Chapter 300 of the Kentucky Revised Statutes is repealed.

SB 195, AN ACT relating to city attorneys.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 69.560 of the Kentucky Revised Statutes is amended to read as follows:

The legislative body of each city of the fourth class, except those operating under the commission or city manager form of government, as soon as it is organized or as soon thereafter as practicable, and biennially thereafter, may appoint a city attorney, or it may provide by ordinance at least sixty days previous to any election that the city attorney be elected by the qualified voters of the city at the same time and for the same term that the police judge is elected. The city attorney must be a practicing attorney, and a resident of the city. The city attorney shall hold his office for a term of two years, subject to removal at any time for good cause by the city legislative body. He shall prosecute all pleas of the Commonwealth and all warrants or proceedings instituted for violation of the ordinances or municipal regulations of the city in the police court, attend the meetings of the city legislative body, advise it in all matters of litigation or legal proceedings, and perform any other duties in his department required by the city legislative body. The city legislative body shall fix his compensation by ordinance before his appointment or election.

Section 2. Whereas the qualifications for the office of city attorney in cities of the fourth class have proved so restrictive that there is a shortage of applicants for the position, an emergency is declared to exist, and this Act shall become effective upon its approval by the Governor.

SB 322, AN ACT relating to the Board of Claims.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 44.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) A Board of Claims is created and vested with full power and authority to investigate, hear proof, and to compensate persons for damages sustained to either person or property as a proximate result of negligence on the part of the Commonwealth, any of its departments or agencies, or any of its officers, agents or employees while acting within the scope of their employment by the Commonwealth or any of its departments or agencies; provided, however, regardless of any provision of law to the contrary, the Commonwealth, its departments and agencies, and its officers, agents and employees, while acting within the scope of their employment by the Commonwealth or any of its departments or agencies, shall not be liable for pain or suffering, and compensation shall not be allowed, awarded or paid for pain or suffering. The board shall be independent of all agencies and departments of the Commonwealth.

(2) The board shall consist of three members appointed by the Governor, and not more than two shall be members of the same political party. Each member shall have the professional qualifications prescribed for Judges of the Court of Appeals by section 114 of the Constitution, shall hold office for a term of four years and until his successor is appointed and qualified, and may be removed only in the manner prescribed for removal of Judges of the Court of Appeals by section 112 of the Constitution. Upon the expiration of the term of any member, his successor shall be appointed for a full term of four years. Vacancies shall be filled by appointment for the unexpired term. The compensation of each member shall be the same as is provided for commissioners of the Court of Appeals by KRS

64.496, and each member shall take the oath prescribed by section 228 of the Constitution.

(3) The board shall annually elect one of its members to serve as its chairman for a term of one year and until his successor is elected and qualified.

(4) Regardless of any provision of law to the contrary, the jurisdiction of the board is exclusive, and a single claim for the recovery of money or a single award of money shall not exceed $10,000, exclusive of interest and costs.

(5) Each hearing shall be conducted by one or more members of the board at such place, within the appellate court district wherein the claimant resides, as the board directs; provided, however, the parties may, with the approval of the board, agree upon a place or places not within the district for the conduct of hearings.

(6) As early as practicable following submission of a claim, the board shall consider the entire record and dispose of the claim, and no award may be made unless two or more members concur therein.

Section 2. Section 44.100 of the Kentucky Revised Statutes is amended to read as follows:

(1) Pursuant to the provisions of KRS Chapter 18, necessary secretarial help shall be provided for members of the board in counties wherein the members respectively reside. The Assistant-Attorneys General assigned to defend claims filed with the board shall receive no additional compensation for the performance of their duties on or before the board; provided, however, members of the board, Assistant Attorneys-General, and all employees of the board shall be recompensed for all necessary and actual expenses they may incur incident to their duties for or before the board. All awards or judgments made by the board against the Department of Highways shall be paid out of the State Road Fund, upon warrants drawn by the Commissioner of Finance upon the State Treasurer. All awards or judgments made by the board against other departments or agencies of the state, which are not maintained by appropriations out of the General Fund, shall be paid out of funds created or collected for the maintenance and operation of such departments or agencies respectively, upon warrants drawn by the Commissioner of Finance upon the State Treasurer. All amounts necessary to pay awards or judgments made by the board against all other departments or agencies of the Commonwealth shall be paid out of the General Fund of the Commonwealth, upon warrants drawn by the Commissioner of Finance upon the State Treasurer. All costs incident to the operation of said board shall be paid out of the State Road Fund, upon warrants drawn by the Commissioner of Finance upon the State Treasurer; provided, however, in all cases wherein claims are filed against the Commonwealth or any of its departments or agencies other than the Department of Highways, the

clerk of the board shall tax as costs of the action the same fees allowed for corresponding services in actions instituted in the circuit court, and such costs, when collected, shall be covered into the State Treasury to the credit of the State Road Fund. The board of claims shall have the power and authority to determine the right of any party to an action before it to recover of the opposing party the costs incurred by him or it in such action; and such decision shall not be subject to appeal.

(2) Should the business of the board require additional clerical or other help, such help shall be employed by the board subject to the provisions of KRS Chapter 12 and 18.

Section 3. Section 44.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) Appeals may be taken to the Franklin Circuit Court from all awards of the board where the amount in controversy, exclusive of interest and costs, is over $100.00. Appeals shall be taken within thirty days from the rendition of the award, and the method of appeal shall follow as nearly as may be the Civil Rules, except the state shall not be required to execute bond.

(2) An appeal on new evidence may be introduced, except as to fraud or misconduct of some person engaged in the hearing before the board. The court sitting without a jury shall hear the cause upon the record before it, and dispose of the appeal in a summary manner, being limited to determining: Whether or not the board acted without or in excess of its powers; the award was procured by fraud; the award is not in conformity to the provisions of KRS 44.070 to 44.160; and whether the findings of fact support the award. The court shall enter its findings on the order book as a judgment of the court, and such judgment shall have the same effect and be enforceable as any other judgment of the court in civil causes.

Section 4. Section 44.160 of the Kentucky Revised Statutes is amended to read as follows:

Any action prosecuted to award or judgment under the provisions of KRS 44.070 to 44.160 shall preclude the right of a claimant to sue the Commonwealth, its departments or agencies, or its officers, agents or employees in any other forum.

SB 335, AN ACT changing the classification of the City of Erlanger in Kenton County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of Erlanger in Kenton County is such as to justify its being classified as a city of the third class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Erlanger, in Kenton County, is transferred from the fourth to the third class of cities.

SB 345, AN ACT relating to flood-plain zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The fiscal court of any county that does not have an agency with power to establish an adequate program for the uses of land lying in areas of the county that are prone to flooding may provide for the zoning of such areas.

Section 2. The court shall engage experts to determine the extent of the flood-plain area, to make maps of the area, and to recommend the uses to which land in the area may be put.

Section 3. The court shall adopt resolutions regulating the uses to which land lying in the area may be put.

Section 4. The court shall designate a county officer to administer the resolution and to rule on the application of the resolution in individual cases, or if necessary, may hire personnel for that purpose.

Section 5. The court shall establish procedures for appeals from rulings of the administrative officer, and for the taking of appeals to the circuit court.

Section 6. If an agency with general powers of planning and zoning in the county is later established, that agency shall assume the court's powers under this Act.

SB 349, AN ACT relating to aeronautics.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 183.010 of the Kentucky Revised Statutes is repealed and re-enacted to read as follows:

As used in Chapter 183 unless the context otherwise requires:

(1) "Civil Aeronautics Administration" shall mean that agency or board of the United States government empowered to regulate interstate commerce by aircraft.

(2) "Commissioner" means the Commissioner of the Department of Aeronautics.

(3) "Department" means the Department of Aeronautics, the statutory administrative department of the Commonwealth of Kentucky.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) "Aeronautics" means the science and art of flight and including, but not limited to transportation by aircraft; the operation,

construction, repair or maintenance of aircraft, aircraft power plants and accessories, including the repair, packing, and maintenance of parachutes; the design, establishment, construction, extension, operation, improvement, repair or maintenance of airports or other air navigation facilities; and instruction in flying or ground subjects pertaining thereto.

(2) "Aircraft" means any contrivance now known, or hereafter invented, used or designed for navigation of or flight in the air.

(3) "Air navigation" means the operation or navigation of aircraft in the air space over this state, or upon any airport within this state.

(4) "Air navigation facility" means any facility other than one owned or controlled by the United States, used in, available for use in, or designed for use in, aid of air navigation, including airports and any structures, mechanisms, lights, beacons, markers, communicating systems, or other instrumentalities or devices used or useful as an aid, or constituting an advantage or convenience, to the safe taking off, navigation, and landing of aircraft, or the safe and efficient operation or maintenance of an airport, and any combination of any or all of such facilities.

(5) "Airport" means any area, of land or water, which is designed for the landing and take-off of aircraft, whether or not facilities are provided for the shelter, servicing or repair of aircraft, or for receiving or discharging passengers or cargo, and all appurtenant areas used or suitable for airport buildings or other airport facilities, and all appurtenant rights of way, whether theretofore or hereinafter established.

(6) "Airport board" or "board" means a board appointed as provided in KRS 183.140 or KRS 183.390.

(7) "Airport facilities" includes land, buildings, equipment, runways and other improvements and appurtenances necessary or proper for the establishment and maintenance of airports.

(8) "Airport hazard" means any structure, object or natural growth, or use of land, which obstructs the air space required for the flight of aircraft in landing or taking off at any airport or is otherwise hazardous to such landing or taking off.

(9) "Approach zone" means that area extending from the end of an airport runway in an inclined plane and increasing in elevation at a given ratio of horizontal to vertical feet, and which area may be more particularly identified and described by reference to the Airport Approach Plan or Airport Approach Standards incorporated into the zoning ordinance regulating the airport aproaches.

(10) "Civil aircraft" means any aircraft other than a public aircraft.

(11) "Charter operator" means all persons who transport or seek

to transport persons or property in intrastate commerce for hire on unscheduled service and not between fixed points.

(12) "Common carrier" shall include all carriers for hire or compensation by air who operate, or seek to operate, over fixed routes or between fixed termini within the Commonwealth of Kentucky.

(13) "Development" and "airport development" mean:

(a) Any work involved in planning, designing, constructing, improving or repairing a public airport or portion thereof, including the construction, alteration and repair of airport buildings and the removal, lowering, relocation and marking and lighting of airport hazards; and

(b) Any acquisition of land, or any interest therein, or of any easement through or other interest in air space which is necessary to permit any such work or to remove, mitigate, prevent or limit the establishment of airport hazards and expenses incident to the carrying out of KRS 183.761 to 183.772.

(14) "Navigable air space" means air space above the minimum altitudes of flight prescribed by the regulations of the Civil Aeronautics Administration or Department consistent therewith, and includes the air space necessary for normal landing or take-off of aircraft.

(15) "Operation of aircraft" or "operate aircraft" means the use, navigation or piloting of aircraft in the airspace over this state or upon any airport within this state. Any person who causes or authorizes the operation of aircraft, whether with or without the right of legal control as owner, lessee, or otherwise of the aircraft, shall be deemed to be engaged in the operation of aircraft within the meaning of the statutes of this state.

(16) "Overhead line" means any cable, pipeline, wire or similar substance of any kind or description.

(17) "Permit" means a permit issued by the Department.

(18) "Public aircraft" means an aircraft used exclusively in the service of any government or of any political subdivision thereof, including the government of any state, territory or possession of the United States, or the District of Columbia, but not including any government-owned aircraft engaged in carrying persons or property for commercial purposes.

(19) "Public airport" means any airport which is used or to be used for public purposes under the control of a public agency, the landing area of which is publicly owned.

(20) "Public use airport" means any airport in the state airport plan open for use by the general public, not including a private airport used primarily for the benefit of the owner.

(21) "State airport plan" means the plan of the department for the development of public and certain private airports for the benefit of the people of this State.

(22) "State airway" means a route in the navigable airspace over the lands or waters of this state, designated by the department as a route suitable for air navigation.

(23) "Structure" means any object constructed or installed by man, including, but without limitation, buildings, towers, smokestacks, and overhead transmission lines.

(24) "Tree" includes object of natural growth.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) "City" (except in KRS 183.140 to 183.220) means any city of the second, third, fourth, fifth or sixth class, and "city and county" means a city and county jointly acquiring an airport under KRS 183.370.

(2) "Governmental unit" means any city, or the combination of any two or more thereof, or any county, or combination of two or more such counties, city or cities, acting jointly with any county or counties.

(3) "Ordinance," in the case of a county, means resolution of the county legislative body.

(4) "State" or "this state" means the Commonwealth of Kentucky.

(5) "Person" means any individual, firm, partnership, corporation, company, association, joint stock association, or body politic; and includes any trustee, receiver, assignee, or other similar representative thereof.

Section 4. Where a city and county are acting jointly any action contemplated by KRS 183.630 or 183.740 to be taken by the legislative body of the governmental unit shall be taken by an ordinance of the city legislative body and parallel or companion resolution of the county legislative body.

Section 5. Section 183.032 of the Kentucky Revised Statutes is amended to read as follows:

(1) Processes and proceedings under KRS 183.010 to 183.740 shall be as summary and simple as possible. The department, or any employee thereof, for the purpose of KRS Chapter 183, may subpoena witnesses; administer or cause to have administered, oaths; and examine, or cause to have examined, such parts of the books and records of the parties to a proceeding as relate to the question under consideration.

(2) The sheriff shall serve all subpoenas of the department and shall receive from the department the same fee as provided by law for like service in civil actions.

(3) Each witness who appears in obedience to such subpoena shall receive for attendance the fees and mileage for witnesses in

civil cases in the circuit court to be paid by the party at whose request the witness was subpoenaed.

(4) The circuit court shall, on application of the department or any officer thereof, enforce by proper proceedings the attendance and testimony of witnesses and the production and examination of books, papers, and records.

Section 6. Section 183.050 of the Kentucky Revised Statutes is amended to read as follows:

No person shall navigate an aircraft unless he and it are licensed and registered by the Civil Aeronautics Administration.

Section 7. Section 183.070 of the Kentucky Revised Statutes is amended to read as follows:

No license other that that prescribed by the Civil Aeranautics Administration for aircraft or pilots shall be required within this state. The department may require that all aircraft, or pilots operating aircraft frequently or regularly from any airport within this state, shall register with the department, but no fee shall be imposed for such registration.

Section 8. Section 183.080 of the Kentucky Revised Statutes is amended to read as follows:

The department may promulgate air traffic rules applicable to the operation of aircraft within the state, but the rules shall be in conformity with the air traffic rules adopted by the Civil Aeronautics Administration as nearly as possible and insofar as applicable. The department may also promulgate such other rules, not in conflict with the Civil Aeronautics Administration regulations necessary for safe, adequate and convenient operation of airports, air navigation, air transportation and all matters relating to said functions.

Section 9. Section 183.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department shall cause all airport facilities in the state to be inspected to determine the safety and adequacy of such facilities. No person shall operate any aircraft for hire from an airport declared unfit by the department.

(2) In determining whether it shall issue a certificate of approval or license for the use or operation of any proposed airport, the department shall take into consideration its proposed location, size, layout, safety of operations, the relationship of the proposed airport to a comprehensive plan for state-wide and nation-wide development, whether the adjoining area is free from obstructions based on a proper glide ratio, the nature of the terrain, the nature of the uses to which the proposed airport will be put, and the possibilities for future development.

(3) The department is empowered to temporarily or perman-

ently revoke any certificate of approval or license issued by it when it shall determine that an airport or other navigation facility is not being maintained or used in accordance with the provisions of KRS 183.010 to 183.740 and the rules and regulations promulgated pursuant thereto.

Section 10. Section 183.100 of the Kentucky Revised Statutes is amended to read as follows:

No person shall operate any aircraft within the state in any form of navigation whatsoever in violation of the air traffic rules promulgated by the department. For enforcement purposes department personnel shall have access at all reasonable times to appropriate books, records and logs of any person operating aircraft in the state.

Section 11. Section 183.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Commissioner and officers and employees of the Department designated by order of the commissioner shall be peace officers and may arrest any person found violating any provision of this Chapter with respect to operation of aircraft.

(2) The commissioner, in his discretion, may commission any official or employee of the airport board or governmental unit as law enforcement officers and such persons so commissioned shall have all of the powers of peace officers in respect to the enforcement of this Chapter and rules and regulations promulgated by the airport board or governmental unit.

Section 12. Section 183.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department may acquire or dispose by contract, purchase, lease, donation, condemnation or otherwise, airports, buildings, runways, grounds and other facilities suitable for airport purposes and the proper safeguards to flying where such acquisition or disposal, shall reasonably inure to the benefit of the state.

(2) The department may make additions and improvements to such airports, or facilities and either alone or with the cooperation of others provide personnel, heat, light, water, fuel, telephone service, drainage, runways, fueling facilities, and other costs of operation and maintenance, including insurance, and may bear the expenses of removal or change of obstructions that menace air travel.

(3) The department may enter into contracts or lease for land or facilities to which title is vested in the Commonwealth with any city, political subdivision or person for the furtherance of the purposes of KRS 183.020 to 183.130. All rents or revenues derived from such contracts of lease shall become the property of the department to be expended by it in carrying out the purpose of KRS 183.020 to 183.130.

(4) The department may give such advice and assistance, including financial aid, engineering and technical assistance within the limits of its resources as it deems advisable, to enable any governmental unit or board to acquire, construct, expand, maintain and operate airports or otherwise assist in the development of aeronautics within their limits. Such aid may include the exercise of the department's power of eminent domain, if such usage is requested by the governmental unit or board. Where such eminent domain powers are utilized title to acquired property may vest in the governmental unit.

Section 13. Section 183.121 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department may designate, design, establish, expand, or modify a state airways system which will best serve the interest of the state. It may chart such airways systems and arrange for publication and distribution of such maps, charts, notices and bulletins relating to such airways as may be required in the public interest. The system shall be supplementary to and coordinated in design and operation with the federal airways system. It may include all types of air navigation facilities, whether publicly or privately owned, provided that such facilities conform to federal safety standards.

(2) The department shall annually, or as often as it deems necessary, prepare and publish a State Airport Plan for the purpose of coordinating and effecting a state and national system of airports. The department shall, in the preparation of said plan, take into consideration the local needs for an airport, the state and national systems of airports, the commercial air transportation system, and any program inaugurated by the Federal government to render aid for the development of airports.

(3) It may participate as party plaintiff or defendant, or as intervener on behalf of the state, any air board, governmental unit or other person in any controversy involving any right of the state or others pertaining to aeronautics.

(4) To enforce the provisions of this chapter the department may in addition to all other remedies institute and prosecute injunctive proceedings without the execution of a bond.

Section 14. Section 183.122 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) Where necessary, in order to provide unobstructed air space for the landing and taking off of aircraft utilizing airports acquired or operated under the provisions of this Chapter, the Department is hereby granted authority to acquire, in the same manner as is provided for the acquisition of property for airport purposes, easements through or other interests in air space over land or water, interests in airport hazards outside the boundaries of the airports and such other airport protection privileges, together with rights of ingress

and egress thereto and therefrom, as are necesary to insure safe approaches to the landing areas of said airports and the safe and efficient operation thereof. The Department is authorized to acquire, in the same manner, the right or easement, for a term of years or perpetually, to place or maintain suitable marks for the daytime marking and suitable lights or marks for the night marking of airport hazards, including the right of ingress and egress to and from such airport hazards for the purpose of maintaining and repairing such lights and marks.

(2) The commissioner may, by order, authorize any airport board or governmental unit to acquire, with the full power of the Commonwealth, in the same manner as is provided for the acquisition of property for airport purposes by such governmental unit, any of the interests, easements, airport protection privileges, interests in air space, rights, or hazard marking privileges described in sub-section (1) of this section, or any real or personal property. Any condemnation proceedings which may be necessary for such acquisition, if filed under this sub-section, shall be filed in the name of the Commonwealth on relation of the Commissioner of Aeronautics, and of the airport board or governmental unit making such acquisition.

(3) The authority granted in sub-section (1) and (2) of this section shall not be so construed as to limit the right, power, or authority of the state or any municipality or governmental unit to zone property adjacent to any airport pursuant to any law of this state.

Section 15. Section 183.123 of the Kentucky Revised Statutes is amended to read as follows:

The acquisition of any lands for the purpose of establishing airports or other air navigation facilities; the acquisition of any airport protection privileges; the acquisition, establishment, construction, enlargement, improvement, maintenance, equipment, and operation of airports, and other air navigation facilities, whether by the state separately or jointly with any governmental unit thereof; the assistance of the state in any such acquisition, establishment, construction, enlargement, improvement, maintenance, equipment, and operation; and the exercise of any other powers of the department as set out in this chapter are hereby declared to be public and governmental function exercised for a public purpose, and matters of public necessity, and such lands and other property and privileges acquired and used in the manner and for the purposes enumerated in this chapter shall and are hereby declared to be acquired and used for public and governmental purposes and as a matter of public necessity.

Section 16. Section 183.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department is the proper agency of the state to accept and receive financial or other aid from the United States Government

for the acquisition, construction, maintenance and operation of airports, air markings and other air navigational aids or otherwise in carrying out the promotion of aviation, whether the work is to be done by the state or at the expense of cities or governmental units aided by grants or aids from the United States.

(2) When acquisition or construction of airports or other facilities is made at the joint expense of governmental units and the United States Government, the department shall, on behalf of such governmental units, accept and receipt for any money paid over by the United States Government and forthwith pay such money over to the governmental units under the terms and conditions imposed by the United States Government in making the grants.

Section 17. Section 183.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) In each county in which there is a city of the first class there shall be a by-partisan board composed of six members, known as the (name of city) and (name of county) Air Board. The board shall be a body politic and corporate with the usual corporate attributes, and in its corporate name may sue and be sued, contract and be contracted with, and do all things reasonable or necessary to effectively carry out the duties contemplated by KRS 183.140 to 183.210.

(2) The members of the board shall be appointed jointly by the mayor of the first class city and the county judge and shall be selected equally from the two political parties casting the highest and next highest number of votes at the last preceding general election.

(3) Members of the board shall serve for terms of four years each, and until their successors are appointed and qualified, provided, however, that upon the next appointment or re-appointment following the effective date of this Act the terms of the appointed members shall be as follows: two for two years, two for three years and two for four years. Upon the expiration of these staggered terms successors shall be appointed for a term of four years. The members shall be bona fide residents of the county.

Section 18. Section 183.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) The purpose of the board shall be to establish, maintain, operate and expand necessary airport and air navigation facilities. It shall have the duty and such powers as may be necessary or desirable to promote and develop aviation including air transportation, airports and air navigation facilities.

(2) The board shall establish and fix reasonable rates, charges and fees for the use of the airport and airport or air navigation facilities. In leases or other contractural agreements for the use or occupancy of such facilities with commercial vendors, concessionaires, air carriers or other persons the rate or charge shall, among other factors,

be based upon the total capital investment by the board, federal, state and governmental units in the facility and that portion of the facility utilized by the lessee or contracting party of its customer, and the volume and type of business activity performed.

Section 19. Section 183.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) Members of the board shall serve without compensation but shall be allowed any reasonable expenses incurred by them in the conduct of the affairs of the board. The board shall, upon the appointment of its members, organize and elect officers. It shall elect a chairman from its members to serve for one year, and it shall annually elect thereafter a chairman.

(2) The board shall employ necessary counsel, agents and employees to carry out its work and functions, and prescribe such rules and regulations as it deems necessary.

Section 20. Section 183.170 of the Kentucky Revised Statutes is amended to read as follows:

The board may acquire by contract, lease, purchase, gift, condemnation or otherwise any real or personal property, or rights therein, necessary or suitable for establishing, operating or expanding airports and air navigation facilities. The board may erect, equip, operate and maintain on such property, buildings and equipment necessary and proper for airport or air navigation facilities.

Section 21. Section 138.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board may by resolution reciting that property is needed for purposes contemplated by KRS 183.150 direct the condemnation of such property and property rights therein.

(2) The procedure for condemnation shall conform to the procedures set out in KRS 416.120 or, in the alternative, as nearly as practicable to the the provisions of KRS 177.081 to 177.089.

Section 22. Section 183.190 of the Kentucky Revised Statutes is amended to read as follows:

In order to provide money for the purchase of property necessary for the establishment or expansion of airports and to construct, equip and maintain buildings necessary or suitable for airport purposes, the legislative body of any governmental unit owning or operating an airport may make an annual appropriation from its general fund; or such governmental unit may make an annual levy to collect a tax not exceeding three cents on each one hundred dollars worth of taxable property situated in the governmental unit as determined by the last regular assessment in the governmental unit.

Any appropriation shall be made by the legislative body in such amounts, in such proportion and upon such terms as the legislative body may determine. All funds derived from such appropriation or tax shall be turned over to the airport board, if any, for the purposes set forth in KRS 183.150, 183.370 or 183.390. Monies so appropriated may be paid over to the board by the governmental unit in regular monthly installments.

Section 23. Section 183.200 of the Kentucky Revised Statutes is amended to read as follows:

The board may borrow money on its own credit in anticipation of revenue to be derived from taxes and other income, and for such purposes the board may pledge the taxes or appropriations, if any, authorized under KRS 183.190.

Section 24. Section 183.370 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any city of the second, third, fourth, fifth, or sixth class, or any county, or any such city jointly with the county in which it is located, may acquire, either by lease, purchase, gift, condemnation or otherwise, any land necessary or suitable for establishing or expanding airports within or without the limits of such city or county. Such governmental units may erect, equip, operate, maintain and expand buildings, equipment, runways and other facilities necessary or proper for the establishment and maintenance of airports.

(2) The airport board established by the governmental unit, or, in the event there is no airport board, the governmental unit may by resolution direct the condemnation of any property, including navigation or other easements, necessary or suitable for establishing, maintaining or expanding airports or air navigation facilities.

(3) The procedure for the condemnation shall conform to the procedures set out in KRS 416.120 or in the alternative, as nearly as practicable to KRS.177.081 to 177.089.

(4) All airports already acquired by cities or counties or cities and counties mentioned in sub-section (1) shall be subject to the provisions of KRS 183.370 to 183.470.

Section 25. Section 183.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) The city or county or city and county may by ordinance or resolution provide for the appointment of an airport board composed of six members who shall have authority to establish, construct, maintain, expand, manage, operate and control the airport. The legislative body of the city or county or the city and county shall by adoption of an ordinance or resolution, prescribe the rules and regulations by which the board shall be governed so as to carry out the intent and purpose of KRS 183.370 to 183.470.

(2) The members of the airport board shall be citizens, taxpayers and legal voters of the county, and no member of the board shall be

interested directly or indirectly in any contract for the furnishing of supplies or of service of any kind to the airport.

(3) The first airport board appointed shall serve for terms as follows: Two for one year, two for two years, and two for three years. Upon the expiration of the first terms, successors shall be appointed for terms of four years. In the case of an airport jointly owned by a city and county the members shall be appointed so that the terms of one city member and one county member shall expire simultaneously.

(4) If at any time during his term of office any member of the airport board becomes a candidate for nomination or is elected or appointed to any public office, he shall automatically vacate his membership and another person shall be appointed to serve for the remainder of his term, or until a successor has been appointed; appointment shall be made by the appointing authority who made the original appointment.

Section 26. Section 183.400 of the Kentucky Revised Statutes is amended to read as follows:

(1) The airport board shall be a body politic and corporate with the usual corporate attributes, and in its corporate name may sue and be sued, contract and be contracted with, promote and develop aviation including air transportation, airports and air navigation facilities, and do all things reasonable or necessary to effectively carry out the work contemplated by KRS 183.390 to 183.460.

(2) The airport board may make and adopt its own by-laws, rules and regulations, not inconsistent with those of the legislative body creating it, for the orderly, efficient and economic operation of the airport.

(3) Members of the airport board shall serve without compensation unless by ordinance or resolution a salary is fixed, in which event the salary of each member shall not exceed three hundred dollars per year. Members shall be allowed, however, any reasonable expenses incurred by them in conducting official duties. The board shall employ necessary counsel, agents and employees to carry out its duties and functions.

Section 27. Section 183.430 of the Kentucky Revised Statutes is amended to read as follows:

The board, if any, or governmental unit shall establish rules for the use of airports and reasonable rates, charges or fees for the use of the airport and airport or air navigation facilities. In leases or other contractural agreements for the use or occupancy of such facilities with commercial vendors, concessionaires, air carriers or other persons, the rate or charge shall, among other factors, be based upon the total capital investment by the board, federal, state and governmental units in the facility and that portion of the facility utilized by the lessee or contracting party or its customers, and the volume and type of business activity performed. The airport shall be policed in the manner determined by the governmental unit.

Section 28. Section 183.440 of the Kentucky Revised Statutes is amended to read as follows:

The board or governmental unit may contract with any person or governmental agency for the use of the airport. Such contract shall not prevent, restrict or hamper the general use of the airport by the public.

Section 29. Section 183.450 of the Kentucky Revised Statutes is amended to read as follows:

All unpledged or surplus revenue derived from use of the airport shall be first applied to the maintenance of the airport and the governmental unit may expend funds for this purpose out of its general funds or any other available funds.

Section 30. Section 183.475 of the Kentucky Revised Statutes is amended to read as follows:

All counties in this state located on the boundary line between this state and any other state, or which are continguous to such counties, as well as all governmental units which are located in such boundary counties, or contiguous counties, are hereby authorized, separately, jointly with each other or jointly with any other municipality of political subdivision of any such boundary state to acquire, equip, construct, expand, lease, improve, police and operate airports within this state or either within or without the geographical limits of any county, municipality or political subdivision of any such boundary state.

Section 31. Section 183.480 of the Kentucky Revised Statutes is amended to read as follows:

Where airports have been established by any person, such person may file an aplication with the department submitting to the jurisdiction of and agreeing to comply with the requirements and regulations of the department, authorized by this chapter with respect to publicly-owned airports. Thereupon the department shall cause said airport to be inspected, and if it conforms to the standards of public airports established by said regulations, the department shall then approve said application and issue an airport license; and said airport shall be deemed to be established, and to be within the jurisdiction of said department, to the same extent as public airports under said chapter are so subject.

Section 32. Section 183.490 of the Kentucky Revised Statutes is amended to read as follows:

The department, with the consent of the owner of a private airport, may, by resolution, reciting that any lands or property adjoining an airport are needed for purposes of establishing or expanding the airport and related facilities, direct the condemnation of such property. Whereupon, condemnation proceedings shall be conducted in the name of the department at the expense of the person owning or operating such airport, and the procedure for condemnation shall conform to the procedure set out in KRS 416.120. The department shall have no liability for the result of such proceedings, and all costs, damages and compensation awarded shall be paid by the owners or operators of such airport. Title shall vest in the person owning the airport. Such airport shall be a public use airport.

Section 33. Section 183.500 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any airport operator within the jurisdiction of the department shall have the right to extend and improve any runway of such airport, over and across any county road, or passway not heretofor designated by the Kentucky State Highway Department as a part of the primary road system of the Commonwealth, in such manner as to not unreasonably obstruct by such construction, the passage of vehicles on such road or passway. In the event any such runway is so extended or constructed, the public using such road shall be entitled to the same protection in the use of said road as in cases where public roads cross railroads; the operator of said airport at its expense shall restore to its former condition, as nearly as may be, any such road across which it has constructed its runway, to the full width of said runway, and at least one hundred feet on each side thereof.

(2) An automatic signal by bell or whistle upon said road, or passway, installed at least fifty rods from the said runway, which device shall ring or sound continuously or alternately, while any aircraft is using any part of said runway, shall be provided by the operator of the airport, and at his expense. The operator of the airport shall cause signal boards to be placed and constantly maintained on any such road or passway one hundred feet from the place where the runway crosses and such road, which boards shall be substantially supported, and shall be placed so as to be seen easily by travelers, and not to obstruct travel, and shall bear on each side in capital letters at least five inches high, the words "DANGER, AIRPORT CROSSING, STOP, LOOK AND LISTEN FOR AIRCRAFT"; provided, however, that nothing herein shall allow the construction of any runway over any hard-surfaced or improved highway, nor any road constituting a part of the primary road system of the state.

Section 34. Section 183.530 of the Kentucky Revised Statutes is amended to read as follows:

It is hereby declared to be the purposes and policy of the legislature in enacting KRS 183.530 to 183.620 to confer upon the department the power and authority and to make it a duty to supervise and regulate the transportation of persons and property for hire by aircraft operating in intrastate commerce between termini located within the Commonwealth of Kentucky.

Section 35. Section 183.540 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person seeking to engage in the operation of a common carrier in intrastate commerce of persons or property by aircraft, shall first obtain a certificate of public convenience and necessity from the department in accordance with the provisions of this section and KRS 183.550 to 183.590. All certificates issued to common carriers shall automatically grant to such common carriers the right to conduct charter operations that originate at a point on said carrier's route to any other point in the state, and return. Any such certificate shall be null and void unless the person to whom the certificate is granted shall in good faith, begin and continue to operate under the terms of the certificate.

(2) If it appears from the application that the applicant is a holder of a certificate of public convenience and necessity issued by the Civil Aeronautics Board and that the applicant is operating between two or more points in this state pursuant to such certificate, the department shall forthwith issue to the applicant an intrastate certificate of public convenience and necessity authorizing the applicant to engage in transportation by air of persons and property between all of the points in this state between which the applicant is authorized to operate by the terms of its interstate or federal certificate.

(3) Any person engaged or seeking to engage in the air transportation of persons or property in intrastate commerce for hire on an unscheduled baisis and not between fixed points shall first obtain a charter permit from the department. Upon filing of an application for a charter permit the department shall cause notice of such filing to be given by mail not less than thirty days before granting such application, addressed to all air common carriers and all holders of charter permits and applicants therefor whose operations or proposed operations would be affected by the granting of the permit and upon any other person deemed by the department to have an interest in such application.

(4) If no objection to the granting of such permit is filed with the department within thirty days after the mailing of the notice, the department may proceed informally, in accordance with such rules and regulations as it may adopt, and grant or deny such application in whole or in part and upon such terms and conditions as the public interest may require.

(5) If objection is filed and a hearing requested by an interested party, the department shall set the application down for hearing and disposition in accordance with the procedure set forth in KRS in 183.560, 183.570 and 183.620.

Section 36. Section 183.550 of the Kentucky Revised Statutes is amended to read as follows:

All applications for an intrastate certificate of public convenience and necessity shall be in the form prescribed by the department and shall contain such information as the department may require. Such applications shall be accompanied by a filing fee of twenty-five dollars, proof of insurance and all other things required by law and regulations of the department.

The department is empowered to levy reasonable charges for the use of state air routes and airways in compensation for expenses incurred by the department in administering the provisions of KRS 183.530 to 183.620, not to exceed, however, two percent of the gross receipts from intrastate business of the carrier, and the annual total of such charges shall not exceed twenty-five thousand dollars.

Section 37. Section 183.560 of the Kentucky Revised Statutes is amended to read as follows:

When an application for an intrastate common carrier certificate of public convenience and necessity has been filed, the department shall fix a time and place for hearing thereon and shall cause notice of the filing of such application and of the hearing thereon to be given by mail not less than thirty days, exclusive of the date of mailing, before such hearing addressed to all holders of intrastate certificates and interstate certificates issued by the Civil Aeronautics Board as well as intrastate certificate applicants therefor whose operations or proposed operations would be affected by the grant of the proposed certificate, and upon any other person deemed by the department to have an interest in such proceeding. Notice shall also be given to the mayors of all cities on the requested route. All interested persons shall have the right to intervene and to participate in all proceedings either in person or by attorney.

Section 38. Section 183.570 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department is hereby vested with the power and authority and it is hereby made its duty upon the filing of an application for a certificate of public convenience and necessity to hear and determine under such rules and regulations as it may promulgate whether the public convenience and necessity require such proposed service.

(2) The department shall issue a certificate authorizing the whole or any part of the transportation requested by the application if it finds the applicant is fit, willing and able to perform such transportation properly and to conform to applicable provisions of this chapter and the rules, regulations and requirements of the department hereunder, and that such transportation is required by the public convenience and necessity; otherwise such application shall be denied.

(3) The department may also issue a certificate to engage in temporary air transportation for such limited periods as may be re-

quired by the public convenience and necessity if it finds after notice and hearing that the applicant is fit, willing and able to perform such transportation and to conform to the provisions of this Act and the rules, regulations and requirements of the department hereunder.

(4) Each certificate issued hereunder shall specify the terminal and intermediate points between which the carrier is authorized to provide air transportation and the service to be rendered, and the department may impose such reasonable terms, conditions and limitations as the public interest may require.

(5) Each certificate shall be effective from the date specified therein and shall continue in effect until suspended, surrendered or revoked as hereinafter provided, or until the department shall certify that operation thereunder has ceased. If issued for a limited or temporary period of time the certificate shall continue in effect until the expiration thereof.

(6) The department, upon petition or complaint, or upon its own initiative, after notice and hearing, may alter, amend, modify or suspend any such certificate in whole or in part if the public convenience and necessity so require, or may revoke any such certificate in whole or in part for failure to comply with any provision of this chapter or any order, rule or regulation issued hereunder or any term, condition or limitation of such certificate.

(7) No certificate may be transferred except upon proper application and hearing and approval by the department as being consistent with the public interest.

(8) No air carrier shall abandon any route or part thereof for which a certificate has been issued by the department unless, upon application of such carrier, after notice and hearing, the department shall find such abandonment to be in the public interest. Any interested person may intervene and be heard in opposition or support of such abandonment. The department may by order, regulation or otherwise authorize such temporary suspension of service as may be in the public interest.

(9) No certificate shall confer any property, proprietary or exclusive right in the use of any airspace, airport, state airway or other air navigation facility.

(10) No certificate shall be required for the transportation of United States mail unless passengers or freight are also transported.

(11) The jurisdiction of the department shall extend only to common carriers engaged in, or who seek to engage in, intrastate commerce. Orders of the department shall be served upon all parties to said proceedings and shall become effective as determined by the department. Any party to such hearing may, upon proper petition, be granted a rehearing if such petition is filed within thirty days after the issuance of the order. Upon granting of any rehearing the department may suspend prior orders until the petition for rehearing is determined.

Section 39. Section 183.580 of the Kentucky Revised Statutes is amended to read as follows:

All common carriers subject to KRS 183.530 to 183.620 shall before engaging in business file with the department and keep open to public inspection at its offices and stations schedules showing all rates, fares and charges for transportation of passengers, or property between different points on its route or routes, and also between points on its own route and on the routes of other common carriers when a through route and joint rate have been established. No intrastate common carrier shall accept or receive any person or property for transportation until the requirements of KRS 183.530 to 183.620 have been complied with and no such carrier shall charge, demand, collect, or receive a greater or less or different remuneration for such transportation, or for any service in connection therewith than the rates, fares and charges which have been legally established and filed with the department; nor shall any such carrier refund or remit in any manner or by any device, any portion of the rates, fares and charges so established when service is rendered in accordance with published tariffs. The department is vested with the power and authority to supervise, regulate and fix, alter and determine just, fair, reasonable and sufficient rates, fares, charges and classifications. No order of the department affecting rates, fares and charges shall issue except after notice and hearing on the same and any interested party may appear and take part in any such proceedings either in person or by attorney.

Section 40. Section 183.590 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department is empowered to perform such acts, to conduct such investigations, to issue and amend such orders, and to make and amend such general or specific rules, regulations and procedures pursuant to and consistent with the provisions of KRS 183.530 to 183.620 as it shall deem necessary to carry out such provisions and to exercise and perform its powers and duties under KRS 183.530 to 183.620.

(2) The department is empowered to confer with or to hold joint hearings with any other state or federal agency in connection with any matter arising under KRS 183.530 to 183.620, and to avail itself of the cooperation, services, records and facilities of such agencies, state or federal, as fully as may be practicable in the administration and enforcement of KRS 183.530 to 183.620.

(3) No certificate or charter permit shall be issued until there has been filed with the department a good and sufficient indemnity bond or insurance policy issued by some surety or insurance company or other insurance carrier duly authorized to transact business as such within this state, which shall provide such terms, conditions and provisions and in such penal sums in such maximum amount, if any, as the department may deem necessary for the reasonable protection of the

patrons and of the public in the collection of damages for which the carrier may be liable by reason of the operation under such certificate.

Section 41. Section 183.620 of the Kentucky Revised Statutes is amended to read as follows:

(1) The applicant or the holder of any certificate shall have the right of an appeal from any action of the department by filing within forty days after the rendition of the order of the department a petition of appeal with the clerk of the Franklin Circuit Court. Such petition shall state completely the grounds upon which the review is sought, and shall assign all errors relied on and shall be accompanied by a copy of the record certified by the department, or an abstract thereof, if agreed to by all parties to the hearing before said department.

(2) The person appealing shall furnish copies of the petition to each person who is a party to the hearing before such department.

(3) Summons shall be issued upon the petition directing the adverse party or parties to file answer within fifteen days after service thereof.

(4) No new or additional evidence may be introduced in the circuit court except as to fraud or misconduct of some person engaged in the administration of KRS 183.530 to 183.620, or affecting the order, ruling or award, but the court shall otherwise hear the case upon the certified record or abstract thereof, and shall dispose of the case in a summary manner, its review being limited to determining whether or not:

(a) The department acted without or in excess of its power;

(b) The order, decree or award was secured by fraud;

(c) The order, decision or award is not in conformity with provisions of KRS 183.530 to 183.620; or

(d) The finding of facts in issue is not supported by any substantial evidence.

(5) The department and each party shall have the right to appeal in such review proceedings. The court shall enter judgment confirming, modifying or setting aside the order, decision or award, or in its discretion remanding the case to the department for proceedings in conformity with direction of the court.

(6) The court may advance a judgment, and upon a sufficient showing of facts, remand the cause to said department.

(7) Any party may appeal from the decision of the circuit court to the Court of Appeals of Kentucky. Such appeals from the order of the department or to the Court of Appeals shall have precedence over other cases pending.

Section 42. Section 183.751 of the Kentucky Revised Statutes is amended to read as follows:

It is hereby found and declared that an airport hazard endangers the lives and property of users of the airport and of occupants of land in the vicinity, and in effect reduces the size of the area available for landing, taking off and maneuvering of aircraft, thus tending to destroy or impair the utility of the airport and the public investment therein, and therefore such hazards are not in the interest of the public health, public safety or general welfare.

Section 43. Section 183.752 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every governmental unit may adopt, administer, and enforce, under the police power and in the manner and upon the conditions hereinafter prescribed, airport zoning regulations for any airport owned or operated by it, which regulations shall divide the area surrounding the airport into zones, and, within such zones, specify the land uses permitted and regulate and restrict the height to which structures and trees may be erected or allowed to grow. In adopting or revising any such zoning regulations, the governmental unit shall consider, among other things the safety of airport users and surface persons and property, the character of the flying operations expected to be conducted at the airport, the nature of the terrain, the height of existing structures and trees above the level of the airport, the possibility of lowering or removing existing obstructions, and the views of the Civil Aeronautics Administration as to the aerial approaches necessary to safe flying operations at the airport.

(2) In the event that a governmental unit has adopted, or hereafter adopts, a general zoning ordinance regulating, among other things, the height of structures and trees, any airport zoning regulations adopted for the same area or portion thereof under KRS 183.750 to 183.758 may be incorporated in and made a part of such general zoning regulations, and be administered and enforced in connection therewith, but such general zoning regulations shall not limit the effectiveness or scope of the regulations adopted under KRS 183.750 to 183.758.

(3) Any two or more governmental units may agree, by ordinance duly adopted, to create a joint board and delegate to said board the powers conferred in KRS 183.750 to 183.758 to promulgate, administer and enforce airport zoning regulations to protect the aerial approaches of any airport owned or operated by the said governmental unit. Such joint boards shall have as members two representatives appointed by the chief executive officer of each governmental unit participating in the creation of said board. The board shall elect a chairman from its membership.

(4) The jurisdiction of each governmental unit is hereby extended to the promulgation, administering and enforcement of airport zoning regulations to protect the approaches of any airport which is owned by said governmental unit but located wholly or partially outside the corporate limits of said governmental unit. In case of conflict with any airport zoning or other regulations promulgated by any other

governmental unit, the regulations adopted pursuant to this sub-section shall prevail.

(5) All airport zoning regulations adopted under KRS 183.750 to 183.758 shall be reasonable, and none shall require the removal, lowering, or other change or alteration of any structure or tree not conforming to the regulations when adopted or amended, or otherwise interfere with the continuance of any nonconforming use, except as provided in sub-section (1) of KRS 183.753.

Section 44. Section 183.754 of the Kentucky Revised Statutes is amended to read as follows:

(1) No airport zoning regulations shall be adopted, amended, or changed under KRS 183.750 to 183.758 except by action of the legislative body of the governmental unit in question, the joint board provided for in KRS 183.752 or the department as hereinafter provided, after a public hearing in relation thereto, at which parties of interest and citizens shall have an opportunity to be heard. At least fifteen days notice of the hearing shall be published in an official paper or a paper of general circulation in the governmental unit in which the airport is located.

(2) The legislative body of any governmental unit adopting airport zoning regulations under KRS 183.750 to 183.758 may delegate the duty of administering and enforcing such regulations to any administrative agency under its jurisdiction or may create a new administrative agency to perform such duty, but such administrative agency shall not be, nor include any member of, the board of appeals. The duties of such administrative agency shall include that of hearing and deciding all permits under sub-section (1) of KRS 183.753, but such agency shall not have or exercise any of the powers delegated to the board of appeals.

(3) In the event of the failure of the legislative body of the governmental unit to adopt airport zoning regulations the department may, if requested by the airport board having jurisdiction of the airport, after notice and hearing as provided by this Chapter, adopt and promulgate such regulations for such airport. In promulgating such regulations the department shall be guided and controlled by the provisions of KRS 183.752 to 183.757, and the procedures set forth herein shall be applicable.

After adoption of such zoning regulations by the department, the governmental unit shall administer and enforce such regulations in accordance with the authority set forth in KRS 183.752 to 183.758. In the event the legislative body of the governmental unit fails after a reasonable period of time to administer and enforce such regulations, the department, in conformity with the provisions of KRS 183.752 to 183.758 insofar as is practicable, may by regulation administer and enforce such zoning regulations. Members of any boards or agencies authorized to administer and enforce such zoning regulations shall be citizens of the governmental unit affected.

Section 45. Section 183.757 of the Kentucky Revised Statutes is amended to read as follows:

In any case in which it is desired to remove, lower or otherwise terminate a nonconforming use; or the approach protection necessary cannot, because of unconstitutional limitations, be provided by airport zoning regulations under KRS 183.750 to 183.758; or it appears advisable that the necessary approach protection be provided by acquisition of property rights rather than by airport zoning regulations, the governmental unit within which the property or nonconforming use is located or the airport board or governmental unit owning the airport or served by it may acquire, by purchase, grant, condemnation or otherwise in the manner provided by KRS 416.120, such air right, easement, or other estate or interest in the property or nonconforming use in question as may be necessary to effectuate the purposes of KRS 183.750 to 183.758.

Section 46. Section 183.758 of the Kentucky Revised Statutes is amended to read as follows:

In addition to the penalty prescribed by sub-section (3) of KRS 183.990, the governmental unit or agency adopting zoning regulations under KRS 183.750 to 183.757 may institute, in any court of competent jurisdiction, an action to prevent, restrain, correct or abate any violation of KRS 183.750 to 183.757, or of any airport zoning regulations adopted thereunder, or of any order or ruling made in connection with their administration or enforcement, and the court shall adjudge to the plaintiff such relief, which may be through mandatory injunction, or otherwise, as may be proper under all the facts and circumstances of the case, to fully effectuate the purposes of KRS 183.750 to 183.757 and of the regulations adopted and orders and rulings made pursuant thereto.

Section 47. Section 183.763 of the Kentucky Revised Statutes is amended to read as follows:

The department may contract with a board, governmental unit or other person, and a board or governmental unit may contract with the department or any person in regard to the development of airports and other aeronautical matters.

Section 48. Section 183.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person violating any of the provisions of KRS 183.020 to 183.130 with respect to operation of aircraft shall be fined not less than ten dollars nor more than one hundred dollars or imprisoned not more than ninety days or both.

(2) Every person coming within the provisions of KRS 183.530 to KRS 183.620 and every officer, agent or employee of the holder of

any certificate issued under KRS 183.530 to 183.620 and every other person who violates or causes, aid or abets any violation, of any order, rule or regulation lawfully issued pursuant to the authority granted by KRS 183.530 to 183.620 shall, upon conviction, be punished by a fine of not less than one hundred dollars nor more than five hundred dollars. The prosecution may be had in the circuit court of any county in which the offense or any part thereof shall have occurred.

(3) Each violation of KRS 183.750 to 183.757 or of any order, rule or regulation promulgated pursuant thereto shall be punishable by a fine of not less than one hundred dollars nor more than five hundred dollars or imprisonment for not more than thirty days, or both, and each day a violation continues to exist shall constitute a separate offense.

Section 49. Sections 183.060, 183.520, 183.610, 183.750 and 183.760 of the Kentucky Revised Statutes are repealed.

SB 217, AN ACT relating to water districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 74.110 of the Kentucky Revised Statutes is amended to read as follows:

The territorial limits of an established water district may be enlarged or diminished in the following way:

(1) The commission may file a petition with the county court to strike off or annex territory to the district. Any owner or owners of territory within the district may file a petition with the county court for removal of his property from the district provided the property has been in the district at least one year. Petitions shall describe the territory involved and set out the reasons for such requests. Notice of filing shall be given as required by this chapter. A copy of an owner's petition shall be mailed to the commission. Objections or exceptions may be filed by any interested person.

(2) After thirty days from date of filing the petitions, the court shall set the matter for hearing. If the court finds the relief sought in a commission's petition is reasonably necessary it shall enter an order annexing or striking off the proposed territory, otherwise the petition may be dismissed. In considering an owner's petition, the court shall consider the present ability of the district to adequately serve the territory proposed to be removed. If the court determines that the district, with existing facilities, cannot adequately serve the territory described, the territory shall be stricken from the district. Any party of record may appeal to the circuit court within fifteen days from date of entry of judgment, for a trial de novo, and to the Court of Appeals as required by law.

(3) If any of the territory stricken off has been assessed to pay the costs of any improvements, the commission shall strike the assess-

ments from the assessment roll and refund to the respective owners any assessments collected on the land which has been stricken off.

(4) If a deficit is incurred by striking off part of a water district, or by striking assessments from the assessment roll, so that the assessment roll is insufficient to pay the bonded indebtedness of the district, the deficit shall be paid out of the general fund of the district, realized from all other resources in the district.

SB 314, AN ACT relating to conditions of employment of firemen in cities of the second class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any fireman who is a member of a fire department in a city of the second class shall be required to be on duty for twenty-four consecutive hours. After having worked such twenty-four consecutive hours, he shall be relieved for a period of forty-eight consecutive hours, except in cases of extraordinary emergency, when so declared by the chief of the fire department. Neither the pay nor the rank of any fireman shall be reduced because of this act.

Section 2. All laws, or portions of laws in conflict herewith, are to the extent of such conflict hereby repealed.

Orders of the Day

HB 36 taken from Orders of the Day on recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed.

Representative Everett moved the adoption of Committee Amendment No. 1, which reads as follows:

Committee Amendment No. 1:

Amend printed copy of **HB 36** on page 2, section 6, line 34 by deleting the words "until the judgment is satisfied", and inserting in lieu therefor the words "for ninety days."

Adopted.

Representative Everett moved the adoption of Committee Amendment No. 2, which reads as follows:

Committee Amendment No. 2:

Amend printed copy of **HB 36** on page 2, section 7, line 37 by deleting the words "until the judgment is satisfied," and inserting in lieu therefor the words "for ninety days."

Adopted.

HB 36 as amended read for the third time. On roll call, the vote was: Yeas, 44—Bach, Bartley, Billington, Buchanan, Buckner, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Bill Cornett, Crecelius, P. F. Davis, W. F. Davis, Duff, Everett, Fields, Finney, Greene, Gullette, Hahn, Hale, Hall, Hart, Henry, Hodges, H. N. Johnson, Kincer, Lovelace, McReynolds, Newberry, Nunn, Ratcliffe, C. R. Reynolds, Richards, Smith, Sowards, Stith, Tinsley, Ed Thomas, S. R. Thomas; Nays, 30—Arnold, Barton, Burke, Breckinridge, Brown, M. W. Cook, P. W. Cornett, Dempsey, Farmer, Ford, Fitzpatrick, Haley, Hopkins, Isler, Kubale, Lyon, McGuire, Mackey, Moore, Ockerman, Ray, Searcy, Steiger, Tanner, Walsh, Wathen, Wells, Willen, Williams, Wirsch.

HB 36 as amended was passed and the title agreed to.

HB 443 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. **HB 443** read at length for the third time.

On roll call, the vote was: Yeas, 71—Anderson, Arnold, Bach, Bartley, Barton, Billington, Brown, Buchanan, Buckner, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Finney, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hislope, Hodges, Hopkins, Isler, H. N. Johnson, Kincer, Kingsbury, Lyon, McCallum, McReynolds, Mackey, Newberry, Nunn, Ockerman, Parrish, Peace, Qualls, Ratcliffe, Rausch, Rayburn, Render, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Stith, Tanner, Tinsley, Ed Thomas, S. R. Thomas, Walsh, Wathen, Willen, Wirsch; Nays, 0.

HB 443 was passed and the title agreed to.

Representative Everett moved that when the House adjourns it do so until 10:00 a.m., March 18. Agreed.

The Speaker asked for the will of the House concerning immediate adjournment. On demand of the House, a roll call was taken. The Speaker announced that the roll call showed the vote to be: Yeas, 43—Arnold, Barton, Breckinridge, Brown, Buchanan, Buckner, Burke, Burress, Coffey, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Duff, Farmer, Ford, Greene, Hall, Hislope, Hodges, Hopkins, H. N. Johnson, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne, Searcy, Steiger, Tanner, Wathen, Whitehead, Williams, Young; Nays, 42—Bach, Bartley, Billington, Bush, Casey, Chaudoin, Clore, Combs, E. E. Cook, Cottengim, W. F. Davis, Dempsey, Everett, Finney, Fitzpatrick, Gullette, Hahn, Hale, Haley, Hart, Henry, Isler, Kincer, Kubale, McReynolds, Newberry, Peace, Qualls, Ratcliffe, Rayburn, Reed, Render, C. R. Reynolds, Richards, Smith, Sowards, Stith, E. Thomas, S. Thomas, Tinsley, Wirsch, Weintraub and the motion was rejected for lack of a majority.

Representative Everett moved that Committee Substitute for **HB 38** be taken from Orders of the Day, read for the third time and placed on passage. Agreed. Representative Bach moved the adoption of Committee Substitute for **HB 38.** Adopted.

Committee Substitute for **HB 38,** AN ACT relating to absent voting.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act:

(1) "Mail" means the delivery to a mail carrier or the deposit in a letter box or post office of a letter, with postage prepaid.

(2) "Abroad" means outside of the continental limits of the United States of America.

Section 2. Section 126.150 of the Kentucky Revised Statutes is amended to read as follows:

Any absent voter may, at any time not less than fifteen days before an election, make an application in writing and by mail, on the form prescribed in KRS 126.160 or on form 76 issued under 5 USCA 2184, to the clerk of the county court of the county of his residence, for an absent voter's ballot.

Section 3. (1) On the 14th day prior to the election and beginning at 2:00 p.m., the County Board of Election Commissioners and the County Clerk, together with interested candidates or their representatives, and representatives of news media, shall examine all applications for an absent voter's ballot for the purpose of determining the voter's right to make application, as well as the validity of the form and method of submitting the application itself. The County Clerk shall have the registration records at the meeting. The County Clerk shall read the name of each applicant aloud, and the applicant and his application may be challenged by anyone present. The Board shall determine whether or not each application shall be accepted or rejected. If the application is rejected it shall be so marked and the voter notified of this fact and the reasons therefor. No ballot shall be sent in response to a rejected application nor prior to the examination provided for in this section.

(2) The provisions of subsection (1) of this section shall not apply to applications submitted by members of the Armed Forces, their spouses and dependents stationed abroad; members of the Merchant Marine, their spouses and dependents stationed abroad; civilian employes of the United States Government, their spouses and dependents stationed abroad; and members of religious groups and welfare organizations attached to and serving in the Armed Forces, their spouses and dependents stationed abroad.

(3) The county clerk shall, however, retain the envelope or post

card used by any applicant enumerated in subsection (2) of this section, for inspection and examination.

Section 4. Section 126.160 of the Kentucky Revised Statutes is amended to read as follows:

Applications for absent voter's ballots shall be signed and sworn to by the absent voter before a civil officer authorized by law to administer an oath, provided neither the officer nor his deputy is a candidate to be voted for at the election. Except as provided in Section 2 of this Act, the application shall be substantially in the following form:

"County Court Clerk of ------------------ County,

----------------------, Kentucky.

"I, ----------------------------------, state that I am a resident of the State of Kentucky and have been such for at least one year prior to the date hereof. I am a resident of ------------------------, County and have been such for more than six months prior to said date and expect to be absent therefrom in the course of my business or duties at the election to be held on the ------------------ day of ----------------------, 19-----, and will not vote elsewhere at said election, and am a resident of ------------------ precinct of said county (or ---------- Ward of the city of------------------, county of ----------------------), and have been such for at least sixty days prior to said date; that I reside at ---------------------------------, (house number and street address, if in city, or county road and nearest neighbor, if in county) that I will be at least eighteen years of age by the day of the next election, and that I am a duly qualified voter of said precinct (or said ward), and I am affiliated with the -------------------- political party; I request that an official ballot be mailed to me at the following adress:

(Name and address)

(Rank and Unit if member of Armed Forces)

(Department of United States Government if an employe
or the wife of an employe stationed abroad)

(Voter must sign here, and oath must be administered
and attested).

"Subscribed and sworn to before me this -------------- day of

--------------------------, 19-----.

(Name and Official Title)"

Section 5. Section 126.170 of the Kentucky Revised Statutes is amended to read as follows:

(2) Upon receipt of any application for an absent voter's ballot, the county court clerk shall examine the registration books for the purpose of ascertaining whether or not the applicant is a registered voter as stated in the application. If the county court clerk finds that the applicant is so registered, he shall forward a ballot to the voter as provided in KRS 126.190, subject to the provisions of Section 3 of this Act. If the county clerk does not find the applicant to be so registered, and if the application does not indicate that the applicant is a member of the Armed Forces, his spouse, or dependent stationed away from his legal residence; or a member of the Merchant Marine, his spouse or dependent stationed away from his legal residence; or a civilian employe of the United States Government, his spouse or dependent stationed abroad or in the District of Columbia; or a member of a religious group or welfare organization attached to and serving in the Armed Forces, his spouse or dependent who must remain away from his legal residence, the clerk shall immediately mail a letter to the applicant, at the address stated in the application, advising him that his application cannot be honored because of the fact that he is not registered, and advising him what perod of time, if any, remains in which he may register prior to such election, and the clerk shall place the application in a file entitled "Nonregistered Applicants for Absent Voters' Ballots." If the clerk thereafter, and prior to the election, receives notice from the applicant advising the clerk that the applicant has registered, the clerk shall again examine the registration books, and if he finds that the applicant has registered he shall remove the application from the nonregistered applicants' file and forward a ballot as provided in KRS 126.190, subject to the provisions of Section 3 of this Act. Any applications not so removed from the nonregistered applicants' file shall be retained in such file until thirty days after the election, when they shall be burned by the clerk in the presence of the judge and sheriff of the county. If the application of a person found not to be registered indicates that the applicant is a member of the Armed Forces, his spouse, or dependent stationed away from his legal residence, or a member of the Merchant Marine, his spouse, or dependent stationed away from his legal residence; or civilian employe of the United States Government, his spouse or dependent stationed abroad or in the District of Columbia; or a member of a religious group or welfare organization, attached to and serving in the Armed Forces, his spouse or dependent who must remain away from his legal residence, the county court clerk, upon being satisfied that the applicant is entitled to be registered, shall cause the applicant to be registered in the registration records of the proper precinct, and shall mark upon such registration records the words "Absentee Registration." Such registration may be made

at any time prior to the election for which an absent voter's ballot is applied for.

(2) Any person who has been registered under the provisions of subsection (1) of this section shall be required to reregister in person upon his first return to the county of his residence at a time when the books are open.

(3) The oath required of a member of the Armed Forces shall be taken as specified in KRS 384.080 and the oath required of a civilian employe of the United States Government or his wife stationed abroad may be taken by the persons mentioned in KRS 382.150. The seal of such officer must be attached to all oaths required under this section.

Section 6. Section 126.210 of the Kentucky Revised Statutes is amended to read as follows:

The Secretary of State shall cause to be prepared and printed an appropriate number of inner envelopes for absent voter's ballots, for all counties. Each such envelope shall be gummed, ready for sealing. Upon one side of such envelope shall be printed, in substantially the following form:

OFFICIAL ABSENT VOTER'S BALLOT

Name of Voter --

Residence (street and number, if any) ---------------------------

----

County of --

City or town of --

On the other side of such envelope shall be printed the following oath:

"I do hereby swear (or affirm) that I am a citizen of the United States and am now of the age of at least eighteen years or will be on the day of the election to be held on the ---------------- day of ---------------------, 19----, (here insert the day of the election), that I will have been a resident of the State of Kentucky for at least one year next preceding such election, and a resident of the County of ------------------, for more than six months preceding such election, and a resident of ---------------, precinct of said county (or ------ ward of the city of -----------------, County of ---------------) at least sixty days preceding such election; that I am a duly qualified voter of said precinct or said ward, and I am affiliated with the ---------------- political party; that in the course of my business or duties I expect to be absent from said precinct or ward at the time of said election.

(Voter must sign here, and oath must
be administered and attested.)

"Subscribed and sworn to before me this -------------- day of --------------------------,

----
(Official Title)

Such oath shall constitute prima facie evidence that the voter is qualified to vote, unless the statements contained in such oath indicate the contrary.

Section 7. Section 126.230 of the Kentucky Revised Statutes is amended to read as follows:

When the absent voter receives the ballot and the two envelopes, he shall go before some civil officer authorized by law to administer an oath, provided neither the officer nor his deputy is a candidate to be voted for at the election, and before him make and prescribe to the affidavit on the face of the envelope and shall, in the presence of such officer and no one else, mark the ballot so as to indicate the way he desires to vote, but in such manner as to prevent the officer from knowing how the ballot is marked or how he has voted. He shall then, and while in the presence of the officer, fold the ballot in such way as to conceal the markings made thereon by him, and after the ballot has been so folded, he shall enclose it in the inner envelope; then seal said envelope and then enclose it in the outer envelope; then seal and write his name across the face of the outer envelope, and at once mail it to the county court clerk.

On roll call for passage, the vote was: Yeas, 65—Anderson, Arnold, Bach, Bartley, Billington, Breckinridge, Buckner, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Ford, Gullette, Hahn, Hale, Haley, Hall, Hart, Hislope, Hopkins, Isler, Kingsbury, Kubale, Lovelace, Lyon, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Qualls, Ratcliffe, Ray, Raybourne, Render, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Tinsley, Ed Thomas, S. R. Thomas, Willen; Nays, 0.

HB 38 was passed and the title agreed to.

The Speaker announced that a re-examination of the previous roll call on immediate adjournment revealed that the count was: Yeas, 43—Nays 42—and again asked the will of the House. On demand of two representatives a second roll call was taken on adjournment, and the vote was: Yeas, 42—Anderson, Arnold, Barton, Breckinridge, Brown, Buchanan, Buckner, Burke, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Duff, Farmer, Ford, Greene, Hall, Hislope, Hodges, Hopkins, H. N. Johnson, Kingsbury, Lovelace, Lowman, Lyon, McCallum, Moore, Nunn, Ockerman, Rausch, Ray, Raybourne, Searcy, Sowards, Steiger, Tanner, Wathen, Wells, Whitehead, Williams, Young; Nays, 38—Bach, Barton, Billington, Bush, Casey, Chaudoin, Clore, Combs, E. E. Cook, Cottengim, W. F. Davis, Dempsey, Everett, Finney, Fitzpatrick, Gullette, Hahn, Hale, Haley, Henry, Hart, Isler, Kubale, McGuire, McReynolds, Mackey, Newberry, Peace, Qualls, Rayburn, Render, C. R. Reynolds, Richards, Smith, Stith, Ed Thomas, Willen, Weintraub.

Motion carried, and the House adjourned.

TUESDAY, MARCH 18, 1958

FIFTY-SEVENTH LEGISLATIVE DAY

The House was called to order by the Speaker, Mr. Weintraub.

Invocation by the Reverend Edward L. Tullis, of the First Methodist Church, of Frankfort.

The roll was called. All members present except Barton, Billington, Brown, Burke, Burress, Bush, Casey, M. W. Cook, Dempsey, Farmer, Fields, Fitzpatrick, Gay, Greene, Gullette, Hart, Hodges, Howard, Huddleston, Huston Johnson, Kincer, Kubale, Lovelace, Lowman, McCallum, Miller, Ockerman, Ratcliffe, Rausch, Ray, Reed, Russell, Reynolds, Steiger, Rev. Tinsley, Wilson, who were granted leaves of absence on motion of Representative Chaudoin.

Reading of the Journal for March 17 dispensed with and the same approved on motion of Representative Isler.

Report on Enrolled Bills

The Committee on Enrollment reported that **SB 9** had been examined and found correctly enrolled. Said bill read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Introduction of Resolutions

HR 127, by Representatives Breckinridge, Hislope, A RESOLUTION authorizing an investigation of allegations concerning the solicitation of bribes for the purpose of influencing legislation in the General Assembly. Representative Breckinridge moved the adoption of **HR 127.**

On roll call, the vote was: Yeas, 74—Anderson, Arnold, Bartley, Barton, Baumgardner, Billington, Breckinridge, Brown, Buchanan, Buckner, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Finney, Ford, Gullette, Hahn, Hale, Haley, Henry, Hinkle, Hislope, Hopkins, Isler, H. N. Johnson, Kincer, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Peace, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Stith, Tanner, Tinsley, Ed Thomas, S. R. Thomas, Walsh, Wathen, Weintraub, Wells, Whitehead, Willen, Williams, Wirsch, Young; Nays, 0.

Adopted.

HR 127, WHEREAS, an article appearing in the metropolitan press of March 18, 1958 conveys the impression that one or more members of the House of Representatives has solicited bribes for the purpose of influencing the passage of bills pending in the General Assembly;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

1. The Speaker of the House of Representatives, upon passage and approval of this resolution, shall forthwith appoint a committee of seven members of the House of Representatives. The Committee appointed hereunder shall constitute a committee of the House of Representatives and, in addition to the powers hereinafter enumerated, shall possess all of the powers granted by Section 39 of the Constitution and by Sections 6.072 and 6.080 of the Kentucky Revised Statutes. The committee shall designate as chairman one of its members.

2. The committee is hereby authorized, empowered and directed to fully and thoroughly inquire into and investigate the affairs, activities and conduct of all persons, including members of the House of Representatives, alleging the solicitation of or alleged to have solicited bribes from all persons having an interest in legislation pending before the House of Representatives.

3. The committee shall have full and plenary powers to subpoena, demand the presence of, and examine under oath administered by the chairman of the committee any and all members of the House of Representatives, and any and all persons having an interest in legislation pending before the House of Representatives, and any other person deemed to possess any knowledge or information pertinent to the inquiry and investigation being conducted. The committee shall have the further power to require any and all persons subpoenaed by it to appear at the time and place mentioned in the subpoena and the power by subpoena to require the production of any books, papers, documents or other data or written matter deemed pertinent to the inquiry and investigation. The committee shall have the further power to receive evidence by deposition and to provide for the taking of depositions in this state or elsewhere, and for the purpose of taking depositions may delegate any member or employee of the committee to conduct the taking of the depositions.

4. In its discretion the committee may call upon the Attorney General of the Commonwealth to furnish legal assistance.

5. The enumeration of powers hereinabove set forth shall not be construed as a limitation on inherent powers which the committee may possess as a legislative committee under the Constitution, statutes or common law.

6. The committee shall proceed as rapidly as practicable with the inquiry and investigation and report its findings to the General Assembly, to the Governor and to the Commonwealth's Attorney of Franklin County, Kentucky.

Representative Moore moved the adoption of **HR 126.** Adopted.

HR 126, A CONCURRENT RESOLUTION memorializing Congress to support Resolution Number 543 in the United States House of Representatives relating to surplus property.

WHEREAS, there is now pending before the House of Representatives of the Congress of the United States a resolution, designated as House Resolution No. 543, the purpose of which resolution is to amend the Federal Property and Administrative Services Act of 1949, to permit the donation and other disposal of surplus property to tax supported public recreation agencies; and,

WHEREAS, there are numerous tax supported public recreation agencies within the Commonwealth of Kentucky which would benefit, and which benefits would flow directly to a large segment of the citizens and population of the State of Kentucky, from the donation by the United States Government to tax supported recreation agencies of surplus property of the United States government for which the latter no longer has any real need; and,

WHEREAS, it is the sense and belief of the General Assembly of Kentucky that the aforesaid legislation by the Congress of the United States is highly desirable from the standpoint of the people of this state and of the other 47 states of the United States;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That the General Assembly hereby expresses its strongest approval and wholehearted support of House Resolution No. 543, now pending in the House of Representatives of the Congress of the United States; that it hereby urges all of the members of the House of Representatives of the Congress of the United States representing constituents of the Commonwealth of Kentucky to support, vote for and otherwise work for the passage or adoption of House Resolution No. 543 in the Congress of the United States; and that properly authenticated copies of this resolution be promptly transmitted to each member of the United States House of Representatives from Kentucky and to each of the two Senators from Kentucky.

House concurred in Senate Title Amendment of **HB 79** on motion of Representative Everett. Title Amendment reads as follows:

"AN ACT relating to state purchases giving preference to products of the Kentucky Industries for the Blind and to be known as the Patience Vice Act."

Motions

Representative McGuire moved that **HB 438** be taken from Orders of the Day, and placed on passage. On demand of the House, a roll call was taken and the vote was: Yeas, 42—Arnold, Barton, Baumgardner, Breckinridge, Brown, Burke, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Farmer, Ford, Gay, Greene, Haley, Hall, Hinkle, Hislope, Hopkins, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Peace, Ray, Raybourne, Searcy, Sowards, Tanner, Walsh, Wathen, Wells, Williams, Young; Nays, 34—Bach, Bartley, Billington, Buchanan, Buckner, Bush, Chaudoin, Clore, Combs, E. E. Cook, Cottengim, W. F. Davis, Everett, Finney, Fitzpatrick, Gullette, Hahn, Hale, Hart, Henry, Isler, H. Nick Johnson, Kubale, McReynolds, Newberry, R. Reynolds, Richards, Smith, Stith, E. Thomas, Tinsley, S. R. Thomas, Willen, Wirsch.

Motion rejected.

Calendar

HB 118, HB 509, HB 513, HB 566, HB 572, HB 579, HB 582, HB 594, HB 597, HB 621, HB 627, HB 631, HB 641, HB 651, HB 659, HB 660, HB 661, HB 662, HB 126, HB 178, HB 179, HB 229, HB 268, HB 361, HB 389, HB 527, HB 543, HB 555, HB 556, HB 573, HB 593, HB 632, HB 639, HB 644, HB 646, HB 649, HB 654, HR 86, HR 118, SB 8, SB 13, SB 14, SB 18, SB 28, SB 42, SB 45, SB 46, SB 47, SB 50, SB 62, SB 65, SB 67, SB 71, SB 73, SB 77, SB 80, SB 84, SB 85, SB 86, SB 88, SB 92, SB 93, SB 95, SB 97, SB 99, SB 101, SB 103, SB 106, SB 115, SB 116, SB 117, SB 118, SB 119, SB 120, SB 122, SB 130, SB 136, SB 137, SB 128, SB 141, SB 142, SB 145, SB 146, SB 149, SB 153, SB 154, SB 155, SB 158, SB 162, SB 163, SB 166, SB 167, SB 168, SB 169, SB 176, SB 181, SB 189, SB 191, SB 192, SB 193, SB 194, SB 195, SB 199, SB 201, SB 202, SB 203, SB 209, SB 212, SB 213, SB 220, SB 222, SB 227, SB 229, SB 233, SB 235, SB 236, SB 237, SB 242, SB 243, SB 244, SB 248, SB 255, SB 258, SB 259, SB 264, SB 267, SB 273, SB 280, SB 281, SB 285, SB 286, SB 287, SB 290, SB 291, SB 300, SB 303, SB 307, SB 308, SB 309, SB 310, SB 315, SB 318, SB 319, SB 321, SB 326, SB 329, SB 343, SB 322, SB 335, SB 345, SB 349, SB 217, SB 314 ordered read at length for the second time. Ordered placed in Orders of the Day.

Motions

Representative Tanner moved for a recess of three minutes to draft an amendment. Rejected.

Representative Searcy moved that the House recess for forty-five minutes for lunch. Rejected.

Orders of the Day

HR 33 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 26—Anderson, Bach, Bartley, Baumgardner, Billington, Buchanan, Buckner, Bush, Chaudoin, Clore, Coffey, Combs, Cottengim, Everett, Finney, Fitzpatrick, Gullette, Hahn, Hale, Kubale, Lyon, McReynolds, Qualls, Ratcliffe, Ed Thomas, Wilson; Nays, 45—Arnold, Barton, Breckinridge, Brown, Burke, E. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Dempsey, Duff, Farmer, Ford, Greene, M. W. Cook, Haley, Hall, Hopkins, H. N. Johnson, Kincer, Kingsbury, Lovelace, Lowman, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Peace, Ray, Raybourne, Render, Searcy, Smith, Sowards, Stith, Tanner, Wathen, Wells, Williams, Wirsch, Young.

HR 33 was defeated.

HB 177 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed.

Representative Buchanan announced that he wished to present Amendment No. 1 to **HB 177,** by way of a substitute bill.

Representative Lowman moved that action be deferred until printed copies of the Amendment would be available and asked that immediate printing be ordered.

Representative Buchanan moved that **HB 177** be made a Special Order of business for 3:00 p.m., this 18th day of March. Motion seconded by Representative Lowman. House agreed.

HB 171 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read for the third time at length.

On roll call, the vote was: Yeas, 58—Anderson, Arnold, Bach, Bartley, Barton, Billington, Brown, Buchanan, Buckner, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Bill Cornett, Cottengim, Crecelius, W. F. Davis, Everett, Farmer, Fields, Finney, Greene, Gullette, Hahn, Hale, Haley, Hart, Henry, Hinkle, Hopkins, Isler, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Newberry, Parrish, Ratcliffe, Rayburn, Render, C. R. Reynolds, Richards, Smith, Steiger, Stith, Tanner, Tinsley, Wathen, Willen, Wilson, Wirsch, Young; Nays, 6—Breckinridge, Dempsey, Hislope, Ray, Raybourne, Sowards.

HB 171 was passed and the title agreed to.

HB 194 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be read for the third time by title only and placed on passage. Agreed.

On roll call, the vote was: Yeas, 80—Anderson, Arnold, Bach, Bartley, Barton, Baumgardner, Billington, Breckinridge, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Fields, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Hinkle, Hislope, Hopkins, Isler, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Parrish, Peace, Qualls, Ratcliffe, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, R. Reynolds, Richards, Smith, Sowards, Steiger, Stith, Tinsley, S. R. Thomas, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

HB 194 was passed and the title agreed to.

HB 321 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be read for the third time by title only and placed on passage. Agreed.

Representative Fitzpatrick presented the following Committee Amendment to **HB 321:**

Committee Amendment:

Amend printed copy of **HB 321** on page 2, section (4), line 18 by deleting the words "five hundred" and inserting in lieu thereof, the words "twenty four hundred".

Adopted.

HB 321 as amended read for the third time. On roll call, the vote was: Yeas, 62—Anderson, Arnold, Bach, Billington, Buckner, Burke, Bush, Casey, Chaudoin, Clore, Coffey, Combs, Cottengim, Crecelius, W. F. Davis, Everett, Farmer, Fields, Finney, Fitzpatrick, Ford, Greene, Gullette, Hahn, Hale, Haley, Hart, Henry, Hinkle, Hislope, Hopkins, Isler, H. N. Johnson, Kincer, Kingsbury, Kubale, Lowman, Lyon, McReynolds, Mackey, Newberry, Nunn, Qualls, Ratcliffe, Raybourne, Rayburn, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Steiger, Stith, Tanner, Tinsley, S. R. Thomas, Walsh, Weintraub, Willen, Wilson, Wirsch, Young; Nays, 5—M. W. Cook, Dempsey, Lovelace, Ray, Williams.

HB 321 was passed as amended and the title agreed to.

Representative Everett moved that the vote by which **HB 321** was passed be reconsidered and said motion laid on the table. Agreed.

Recess

Representative Everett moved that the House recess one hour for lunch. Agreed. At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day

HB 258 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 23—Bach, Billington, Burke, Bush, Clore, M. W. Cook, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, Everett, Farmer, Finney, Fitzpatrick, Hale, Henry, Kingsbury, Kubale, McReynolds, Qualls, C. R. Reynolds, Searcy, Tanner; Nays, 28—Bartley, Burress, Combs, Bill Cornett, W. F. Davis, Dempsey, Ford, Hinkle, Hislope, Hodges, Lovelace, Lowman, Lyon, McCallum, Nunn, McGuire, Mackey, Raybourne, Rayburn, Reed, Render, Richards, Smith, Sowards, Wells, Whitehead, Willen, Wilson.

HB 258 was defeated.

HB 626 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. **HB 626** read for the third time.

On roll call, the vote was: Yeas, 77—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Ford, Greene, Gullette, Hahn, Haley, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Isler, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Nunn, Ockerman, Parrish, Peace, Qualls, Ratcliffe, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Ed Thomas, S. R. Thomas, Walsh, Wells, Willen, Williams, Wilson, Wirsch; Nays, 0.

HB 626 was passed and the title agreed to.

Representative Haley moved that the vote by which **HB 626** was passed be reconsidered and said motion laid on the table. Agreed.

The Speaker vacated the Chair and asked Representative Kingsbury to preside in his absence.

HB 295 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 67—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Burke, Casey, Chaudoin, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Everett, Farmer, Finney, Fitzpatrick, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Isler, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Newberry, Parrish, Qualls, Raybourne, Reed, Render, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Ed Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 13—Brown, Buchanan, Buckner, Burress, Dempsey, Duff, Gay, Greene, H. N. Johnson, Nunn, Ockerman, Peace, S. R. Thomas.

HB 295 was passed and the title agreed to.

Representative Fitzpatrick moved that the vote by which **HB 295** was passed be reconsidered and said motion laid on the table. Agreed.

Representative Everett moved that **HR 16** be taken from Orders of the Day, that it be read for the third time and placed on passage. Agreed. Read to the House as ordered.

On roll call, the vote was: Yeas, 83—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Finney, Fitzpatrick, Ford, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Isler, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Peace, Qualls, Ratcliffe, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Ed Thomas, Walsh, Wathen, Wells, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

HR 16 adopted.

Representative Everett moved that **HR 17** be taken from Orders of the Day and placed on passage. Agreed.

On roll call, the vote was: Yeas, 77—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buckner, Burke, Bush, Casey, Chaudoin, Clore, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Fields, Finney, Fitzpatrick, Ford, Greene, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Isler, Kincer, Kubale, Lovelace, Lyon, McCallum, McGuire, Mackey, Moore, Nunn, Parrish, Peace, Ratcliffe, Ray, Raybourne, Render, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Stith, Tanner, Tinsley, Ed Thomas, S. R. Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Wilson, Wirsch, Young; Nays, 0.

HR 17 adopted.

HB 477 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed.

Representative Cottengim proposed the following amendment to **HB 477**:

Amend printed copy of **HB 477** on pages 1 and 2, lines 10-14 by striking said lines 10-14 in their entirety and inserting in lieu thereof:

"(c) In counties not containing a city of the second class but having a population of 75,000 or over, a salary of three thousand six hundred dollars, payable monthly;

(d) In counties containing a city of the third or fourth class and population is under 75,000 a salary of not more than two thousand eight hundred dollars per annum, payable monthly;

(e) In other counties, the same compensation per day as justices of the peace receive under KRS 64.530.

Adopted.

HB 477 as amended read for the third time. On roll call, the vote was: Yeas, 34—Anderson, Arnold, Barton, Billington, Burke, Casey, Chaudoin, Clore, Combs, Cottengim, Crecelius, W. F. Davis, Everett, Farmer, Fields, Finney, Hale, Haley, Henry, Isler, Kingsbury, Kubale, Lovelace, Lyon, McReynolds, Newberry, Sowards, Steiger, Stith, Walsh, Wathen, Weintraub, Wilson, Wirsch; Nays, 20—Breckinridge, Buchanan, Dempsey, Duff, Ford, Gay, Hart, Hinkle, Hislope, Howard, McGuire, Nunn, Ockerman, Peace, Rayburn, Render, C. R. Reynolds, Richards, Searcy, Smith.

HB 477 was defeated.

Representative Breckinridge moved that the vote by which **HB 477** was defeated be reconsidered and said motion laid on the table. Agreed.

HB 206 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be read by title only and placed on passage. Agreed.

On roll call for passage, the vote was: Yeas, 60—Anderson, Bach, Billington, Brown, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, Bill Cornett, P. W. Cornett, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Finney, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hodges, Howard, Huston Johnson, Kincer, Lyon, McReynolds, Mackey, Moore, Newberry, Peace, Qualls, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tinsley, Ed Thomas, S. R. Thomas, Whitehead, Willen, Wilson, Wirsch; Nays, 16—Arnold, Barton, Burke, Crecelius, Huddleston, Lovelace, Lowman, McCallum, McGuire, Ockerman, Parrish, Tanner, Walsh, Wathen, Wells, Young.

HB 206 was passed and the title agreed to.

Speaker Weintraub resumed the Chair.

HB 534 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 66—Anderson, Bach, Bartley, Billington, Brown, Buckner, Burress, Casey, Chaudoin, Clore, Coffey, Combs, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Hinkle, Hislope, Hodges, Howard, Isler, H. N. Johnson, Kubale, Lyon, McReynolds, Mackey, Moore, Newberry, Peace, Qualls, Ratcliffe, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tinsley, Ed Thomas, S. R. Thomas, Whitehead, Willen, Williams, Wilson, Wirsch; Nays, 10—Breckinridge, Ford, Henry, Lovelace, Lowman, Ockerman, Parrish, Tanner, Wathen, Wells.

HB 534 was passed and the title agreed to.

Representative Brown moved that the vote by which **HB 534** was passed be reconsidered and said motion laid on the table. Agreed.

Speaker Weintraub vacated the Chair and asked Representative Wathen to preside.

HB 442 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed.

Representative Marlow Cook presented the following amendment to **HB 442:**

Amend printed copy of **HB 442** on page 2, section 3, lines 4 and 5 by deleting lines four and five in their entirety, and substituting therefor the following language:

"ments are needed on land occupied by the State Fair and Exposition Center to promote the purposes of the State Fair Board, it"

Adopted.

On roll call for passage of **HB 442** as amended, the vote was: Yeas, 68—Anderson, Arnold, Bach, Bartley, Billington, Breckinridge, Buckner, Burke, Bush, Chaudoin, Clore, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Everett, Farmer, Fields, Finney, Fitzpatrick, Ford, Greene, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hopkins, Isler, H. N. Johnson, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Peace, Ratcliffe, Ray, Raybourne, Rayburn, Render, Searcy, Smith, Sowards, Steiger, Stith, Tinsley, S. R. Thomas, Walsh, Wathen, Whitehead, Willen, Williams, Wilson, Wirsch; Nays, 0.

HB 442 was passed and the title agreed to.

HB 265 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. **HB 265** read for the third time.

On roll call, the vote was: Yeas, 72—Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buchanan, Burke, Bush, Casey, Chaudoin, Clore, Coffey, Combs, M. W. Cook, Bill Cornett, Crecelius, P. F. Davis, Duff, Everett, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, Isler, Kincer, Kingsbury, Kubale, Lyon, McCallum, Mackey, Moore, Ockerman, Parrish, Peace, Qualls, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Richards, Searcy, Sowards, Steiger, Stith, Tinsley, Ed Thomas, S. R. Thomas, Walsh, Wathen, Willen, Williams, Wilson, Wirsch, Young; Nays, 1—Wells.

HB 265 was passed and the title agreed to.

Speaker Weintraub resumed the Chair.

Report on Enrolled Bills

HB 153, HB 129, HB 79 delivered, signed by the President of the Senate. Ordered delivered to the Governor.

Special Order

The Speaker announced that the appointed hour of 3:00 p.m. for Special Order of business had arrived and stated that the House would now continue action on **HB 177.**

Representatives Lowman and Buchanan presented the following Amendment to **HB 177**, by way of a substitute bill:

AMENDMENT NO. 1:

Amend printed copy of **HB 177** on page 1, by striking all after the enacting clause and inserting in lieu thereof the following:

HB 177, AN ACT relating to medical care for indigent persons.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The General Assembly of the Commonwealth of Kentucky hereby recognizes and declares that it is an essential function, duty, and responsibility of the Government of this Commonwealth to provide, within its budgetary limitations, for the medical care of its indigent citizenry.

Section 2. As used in this Act unless the context indicates otherwise:

(1) "Council" means the State Advisory Council for Medical Care of the Indigent;

(2) "Dentist" means a person licensed by the State Board of Dental Examiners to practice dentistry in Kentucky;

(3) "Hospital" means any institution licensed as such by the State Board of Health;

(4) "Pharmacist" means a person licensed by the Kentucky Board of Pharmacy to practice pharmacy in Kentucky;

(5) "Public Assistance Recipient" means a person who has been certified by the Division of Public Assistance of the Department of Economic Security as being eligible for, and a recipient of, public assistance under the provisions of Chapter 205 of the Kentucky Revised Statutes or a person whose dependency on such recipient is recognized in the determination of budgetary requirements for such payments.

(6) "General Assistance Recipient" means a person who has been certified by the Division of Public Assistance of the Department of Economic Security as being eligible for, and a recipient of, tax supported public assistance for maintenance other than as provided under the provisions of Chapter 205 of the Kentucky Revised Statutes, or a person whose dependency on such recipient is recognized in the determination of budgetary requirements for such payments;

(7) "Medically Indigent Person" means a person who is domiciled in this state and who is unable, through his own resources or through resources available to him, to provide himself with essential medical care without depriving himself or his dependents of necessary food, shelter, clothing, or the other necessities of life, and who does not fall within the definition of "Public Assistance Recipient" or "General Assistance Recipient" as defined in Subsection (5) or (6) of this section;

(8) "Medical Care" means essential medical, surgical, dental, optometric and nursing services in the home, office, hospital, clinic, or other suitable place which are provided or prescribed by physicians, optometrists or dentists licensed to render such service, including drugs and medical supplies, visual aid glasses, appliances, laboratory, diagnostic, and therapeutic services, nursing home and convalescent care, and such other essential medical services and supplies as may be prescribed by such persons;

(9) "Nursing Home" means any institution licensed as such by the State Board of Health;

(10) "Physician" means any person licensed to practice medicine or osteopathy in Kentucky;

(11) "Federal-State Medical Care Fund" means a trust and agency fund established, maintained, and operated by the Department of Economic Security as an arrangement to meet the cost of medical care for public assistance recipients and into which payments are made in behalf of each public assistance recipient covered by the fund.

(12) "State-County Medical Care Fund" means a trust and agency fund established, maintained, and operated as an arrangement to meet the costs of medical care for general assistance recipients and medically indigent persons and into which payments are made.

(13) "Vendor Payment" means a payment for medical care which is paid by the Department of Economic Security directly to the authorized person or institution which rendered medical care to a public assistance recipient, general assistance recipient, or to a medically indigent person.

Section 3. (1) There is hereby created a State Advisory Council for Medical Care of the Indigent. The council shall consist of eleven members. The Commissioner of Health and the Commissioner of the Department of Economic Security shall be ex-officio members. The other nine members of the council shall be appointed by the Governor and shall hold office for a term of four years and until their successors are appointed and qualify, except that the members appointed to fill the first vacancy occurring for a term beginning on July 1, 1958, shall be as follows: Two members shall be appointed for one year, two for two years, two for three years, and three for four years, and the respective terms of the first members shall be designated by the Governor at the time of their appointment. Upon the expiration of the respective terms of the members first appointed, the term of each successor shall be four years or until his successor shall be appointed and qualify. No member of the council shall be a stockholder or have any financial interest in any hospital, nursing home, or related institution. One appointive member of the council shall be a physician licensed to practice medicine in Kentucky and shall be appointed from a list of three names submitted by the Kentucky State Medical Association. One member of the council shall be a dentist licensed to practice dentistry in Kentucky and shall be appointed from a list of three names submitted by the Kentucky State Dental Association. One member of the council shall be appointed from a list of three names submitted by the Kentucky Hospital Association. One member of the council shall be a pharmacist licensed to practice pharmacy in Kentucky and shall be appointed from a list of three names submitted by the Kentucky State Pharmaceutical Association. One member of the council shall be a registered professional nurse licensed to practice in Kentucky and shall be appointed from a list of three names submitted by the Kentucky State Association of Registered Nurses. The other four appointive members shall be intelligent and discreet citizens residing within the Commonwealth, who are not members of professional groups which are recipients of vendor payments.

(2) Each appointive member of the council shall serve without compensation but shall be entitled to reimbursement for his actual and necessary expenses in attending meetings.

(3) The council shall elect a chairman, vice-chairman, and sec-

retary from among its members at its first regular meeting in each fiscal year and may adopt rules and by-laws for its government. The council shall hold a meeting at least once every three months and such other special or regular meetings as may be desired.

Section 4. The council shall develop, formulate, promote, and recommend to the Commissioner of Economic Security for policies, plans, budgets, programs, and rules and regulations relating to:

(1) The administration of this Act;

(2) The utilization of facilities and personnel of the Department of Economic Security and the State Department of Health;

(3) The inclusion or exclusion, by regulation, of general assistance recipients or certain classes thereof;

(4) The inclusion or exclusion, by regulation, of medically indigent persons or certain classes thereof;

(5) The designation, by regulation, of quantity and quality standards and methods for determining costs for vendor payments for medical care services;

(6) The designation, by regulation, of the limitations, duration and frequency of medical care and vendor services that may be authorized for payment;

(7) The administration of grants, gifts, and contributions from the federal government, from county fiscal courts, from city legislative bodies, or from other sources, for the purpose of carrying out the intent and purposes of this Act;

(8) The establishment of and contribution to a federal-state medical care fund from funds appropriated from time to time by the General Assembly for public assistance recipients;

(9) The establishment of and contribution to State-County Medical Care Fund from funds appropriated from time to time by the General Assembly for medical care of general assistance recipients and medically indigent persons on a formula contribution basis promulgated by the Department of Economic Security;

(10) The conducting of studies, research, demonstrations, and surveys to carry out the intent and purposes of this Act;

(11) The agreements and contracts for the administration of this Act;

(12) The utilization of facilities and personnel of local health departments and local public assistance offices;

(13) The periodic evaluation of the program and publication of reports thereof; and

(14) The formulation of such modifications, expansions, or contractions in the program as may be desirable or necessary.

Section 5. (1) The scope of medical care for which the Department of Economic Security undertakes to pay shall be designated and limited by regulation. The selection of the class or classes of medical care services shall be recommended by the council to the Commissioner of Economic Security after taking into consideration, among other things, the amount of federal, state, and local funds available and the most essential needs of public assistance recipients, general assistance recipients or medically indigent persons. The scope may:

(a) Be confined to hospital care only; to general practitioners' services only; to specialist services only; or to parts or combinations thereof;

(b) Include home nursing care, dental care, drugs, laboratory services or parts or combinations thereof; or

(c) Include or exclude any part of the services provided for under the definition of the term "medical care" in subsection (3) of Section 2 of this Act.

(2) No vendor payment shall be made unless the class and type of medical care rendered has first been designated by regulation.

(3) The standards and methods for determining costs for vendor payments designated by regulations need not be uniform for the entire state but may vary from county to county and from city to city due to the prevailing cost of medical care in such locale and due to other local economic and geographic conditions.

Section 6. (1) The Department of Economic Security shall retain all responsibility relating to the certification of eligibility of all recipients and with all other fiscal matters relating to this Act.

(2) There is hereby created within the State Department of Health a Division of Medical Care which shall be charged with the responsibility of carrying out the duties of the department under any agreement or contract with the Department of Economic Security.

(3) The Department of Economic Security shall not be charged with responsibility for the mechanism of the medical administration of this Act but shall contract with the State Department of Health for the purpose of carrying out all medical matters relating to this Act including, but not limited to, the certifying of the cost, need, and reasonableness of all medical expenses in accordance with quantity and quality standards and methods.

(4) The Department of Economic Security and Department of Health shall provide to the council such information as it may require for proper evaluation of the operation of the program.

Section 7. As state funds become available, fiscal courts and city legislative bodies shall appropriate and contribute to a State-County Medical Care Fund for general assistance and medically indigent persons of the county. Such appropriations and contributions shall be on a formula basis promulgated by the Department of Economic Security and shall be deemed to be essential governmental expenditures. The formula need not be uniform for the entire state but may vary from county to county and from city to city due to variations in population and economic and geographic conditions including resources, industrialization, tax assessments and tax rates, and other local factors and conditions.

Section 8. (1) The following state-wide technical advisory committees are hereby created for the purpose of acting in an advisory capacity to the State Advisory Council for Medical Care of the Indigent with respect to the administration of this Act;

(a) A Technical Advisory Committee on physician services consisting of five members appointed by the council of the Kentucky State Medical Association. All members shall be physicians licensed to practice medicine in Kentucky;

(b) A Technical Advisory Committee on Hospital Care consisting of five members appointed by the Board of Trustees of the Kentucky Hospital Association;

(c) A Technical Advisory Committee on Dental Care consisting of five members appointed by the Kentucky State Dental Association. All members shall be licensed to practice dentistry in Kentucky;

(d) A Technical Advisory Committee Nursing Service consisting of five members appointed by the Board of Directors of the Kentucky State Association of Registered Nurses. All members shall be registered professional nurses licensed to practice in Kentucky;

(e) A Technical Advisory Committee on Drugs consisting of five members appointed by the Kentucky State Pharmaceutical Association. All members shall be licensed by the Kentucky Board of Pharmacy;

(f) A Technical Home Advisory Committee on nursing home care consisting of five members appointed by the Kentucky Association of Nursing Homes.

(2) The Advisory Committee members shall serve for terms of five years and until their successors are appointed and qualify.

Section 9. The Commissioner of Health shall appoint a County Medical Care Review Committee for each county of the Commonwealth consisting of three licensed medical physicians. The duties, responsibilities, and terms of office of such committee shall be defined by regulation. Appointments shall be made from a list of three names for each position submitted by the Kentucky State Medical Association.

Section 10. Any person who knowingly makes a false statement, or represents or knowingly fails to disclose a material fact or by impersonation or other fraudulent device obtains or attempts to obtain or aids or abets any person to obtain or attempt to obtain, any medical care benefits under the provisions of this Act shall be fined not less than ten dollars nor more than one hundred dollars, or imprisoned for not more than thirty days, or both. Each false statement, representation, failure, or violation, and each benefit payment made in reliance of such false statement, representation, failure or violation, shall constitute a separate offense.

Section 11. Payments into the Federal-State Medical Care Fund shall be irrevocable and shall:

(a) Be beyond the power of the Department of Economic Security to use for any other purpose than that for which it was created; and

(b) Be dedicated to the payment of costs of medical care for public assistance persons. Federal-State Medical care funds shall be subject to federal participation as an assistance expenditure for medical care in behalf of public assistance recipients.

Section 12. Payments into the State-County Medical Care fund shall be irrevocable and shall:

(a) Be beyond the power of the Department of Economic Security to use for any other purpose than that for which it was created; and

(b) Be dedicated to the payment of medical care for general assistance recipients and medically indigent persons with respect to which payments are made. State-County Medical Care funds shall be subject to county participation as an assistance expenditure for medical care in behalf of general assistance recipients and medically indigent persons.

Section 13. This Act shall become effective on July 1, 1958.

Adopted.

On roll call for passage of **HB 177** as amended, the vote was: Yeas, 75—Anderson, Arnold, Bartley, Barton, Billington, Breckinridge, Buchanan, Buckner, Burke, Bush, Casey, Chaudoin, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Fields, Finney, Fitzpatrick, Greene, Hahn, Hale, Haley, Hart, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, Isler, H. N. Johnson, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Qualls, Ratcliffe, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Tinsley, Walsh, Weintraub, Wells, Whitehead, Willen, Wilson, Wirsch, Young; Nays, 1—Henry.

Representative Breckinridge offered the following Title Amendment to **HB 177**:

Amend printed copy of **HB 177** on page 1, amend the title by adding the following language:

"This bill shall be known as the Lowman-Buchanan bill."

Rejected.

HB 177 was passed as amended and the title agreed to.

HB 172 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 69—Arnold, Bach, Bartley, Barton, Billington, Brown, Buchanan, Buckner, Bush, Casey, Chaudoin, Clore, Combs, M. W. Cook, Bill Cornett, Cottengim, W. F. Davis, Dempsey, Duff, Everett, Farmer, Finney, Gay, Greene, Gullette, Hahn, Hale, Haley, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Huddleston, Isler, H. N. Johnson, Kincer, Kubale, Lovelace, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Parrish, Peace, Qualls, Ratcliffe, Ray, Raybourne, Rayburn, Reed, Render, R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tinsley, S. R. Thomas, Wells, Willen, Wilson, Wirsch, Young; Nays, 5—Breckinridge, Burress, Crecelius, Ockerman, C. R. Reynolds.

HB 172 was passed and the title agreed to.

Veto Message

The Clerk of the House read the following Veto Message from the Governor:

House Bill 157 passed by the General Assembly at the Regular Session 1958 provides that $7,500 in state funds be paid to any school district maintaining a separate school for the benefit of handicapped and retarded children in addition to funds already provided under the public school foundation program.

In my judgment this legislation is contrary to the public interest for the following reasons:

(1) The general fund cost in the 1958-60 biennium would be at least $225,000 since fifteen classroom units for handicapped and retarded children exist today in separate facilities. The bill does not provide a maximum limit of expenditures and if all units approved under the foundation program were transferred to separate facilities, the total cost of the legislation would be $2,535,000 during the 1958-60 biennium. This cost would be prohibitive with the present status of the general fund.

(2) Today the public school system receives its state support in the form of a unified program grant on the basis of services rendered. Any additional funds received by the local school district should become an integral part of the foundation program grant.

(3) The legislation is in opposition to the thinking of leading educators in the field of special education for handicapped children. It is their thinking that the handicapped child benefits more from a special educational program integrated into the regular school program. The appropriation resulting from this legislation is contingent upon the provision of separate facilities for these children.

Realizing full well the additional cost of special education for handicapped and retarded children, and recognizing the need for more adequate services in this area, it is my view that this legislation would not be in the best interest of the handicapped child.

I, therefore, veto said House Bill No. 157.

Signed this 14th day of March, 1958.

/s/ Albert B. Chandler

Albert B. Chandler
Governor, Commonwealth of Kentucky

Representative Huddleston moved that **HB 157** be passed, the veto of the Governor notwithstanding. Representative Lowman seconded the motion.

On roll call for passage over veto, the vote was: Yeas, 60—Arnold, Bach, Barton, Billington, Breckinridge, Brown, Buchanan, Burke, Burress, Casey, Chaudoin, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Dempsey, Duff, Farmer, Fields, Ford, Gay, Greene, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hopkins, Howard, Huddleston, H. N. Johnson, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Peace, Ratcliffe, Ray, Raybourne, R. Reynolds, Searcy, Smith, Sowards, Steiger, Tanner, Walsh, Wells, Willen, Williams, Wilson, Young; Nays, 6—Cottengim, Everett, Finney, Hale, Hodges, Richards.

HB 157 was passed and the title agreed to.

Representative Breckinridge moved that the vote by which **HB 157** was passed be reconsidered and said motion laid on the table. Agreed.

Representative Everett moved that **HB 590** be taken from Orders of the Day, that it be read for the third time and placed on passage. Agreed.

HB 590 read for the third time.

On roll call, the vote was: Yeas, 63—Anderson, Bach, Bartley, Brown, Buchanan, Buckner, Burress, Bush, Chaudoin, Clore, Coffey, Combs, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Gay, Greene, Hahn, Hale, Hart, Henry, Hinkle, Hodges, Huddleston, Isler, H. N. Johnson, Kincer, Lovelace, Lyon, McCallum, McReynolds, Mackey, Newberry, Parrish, Peace, Ratcliffe, Ray, Rayburn, Reed, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Sowards, Steiger, Stith, S. R. Thomas, Walsh, Wathen, Willen, Williams, Wilson, Wirsch, Young; Nays, 11—Arnold, Breckinridge, Burke, Ford, Haley, Howard, Kingsbury, Nunn, Ockerman, Smith, Wells.

HB 590 was passed and the title agreed to.

Representative H. Nick Johnson moved that the vote by which **HB 590** was passed be reconsidered and said motion laid on the table. Agreed.

Senate Message

Senate message announcing passage of **SB 351, SB 317, SB 302, SB 336, SB 348, SR 68, SR 69, SR 15, HB 159, HB 160, HB 475.**

The Speaker vacated the Chair and asked Representative Williams to preside.

Representative Everett moved that **HB 595** be taken from Orders of the Day, that it be read for the third time and placed on passage. Agreed.

Representative Hopkins moved that **HB 595** be tabled. Motion adopted.

Motions

Representative Brown moved that the House adjourn until 10:00 a.m., March 19. On demand of two representatives, a roll call was taken and the vote on adjournment was: Yeas, 3—Brown, McCallum, R. Reynolds; Nays, 67—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Buckner, Burke, Bush, Casey, Chaudoin, Clore, Combs, E. E. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, W. F. Davis, Dempsey, Everett, Finney, Fitzpatrick, Gay, Gullette, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Isler, Kingsbury, Kubale, Lyon, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Peace, Qualls, Ratcliffe, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Richards, Searcy, Smith, Stith, S. R. Thomas, Walsh, Wells, Willen, Wirsch, Young.

Motion rejected.

Senate Message

Senate message announcing passage of **SB 204.**

Orders of the Day

HB 523 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 79—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, Isler, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Parrish, Peace, Ratcliffe, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Stith, S. R. Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Williams, Wirsch, Young; Nays, 0.

HB 523 was passed and the title agreed to.

HB 267 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed.

Representative Russell Reynolds moved to amend **HB 267** as follows:

Amend printed copy of **HB 267** on page 3, section 4, line 5 by striking the word, "stream" and substituting in lieu thereof the word, "steam."

Adopted.

On roll call for passage of **HB 267** as amended, the vote was: Yeas, 56—Anderson, Arnold, Bartley, Barton, Billington, Buchanan, Buckner, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Bill Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hart, Hinkle, Hopkins, Howard, Isler, Lyon, McGuire, McReynolds, Mackey, Newberry, Ockerman, Parrish, Ratcliffe, Rayburn, Reed, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Stith, Walsh, Willen, Wirsch, Young; Nays, 3—Hislope, Nunn, Whitehead.

HB 267 was passed as amended and the title agreed to.

Representative Everett moved that **HB 516** be taken from Orders of the Day and placed on passage. Agreed.

Representative Coffey moved to amend **HB 516** as follows:

Amend printed copy of **HB 516** on page 1, line 4 by deleting "KRS 159.390 (1) and (2)" and inserting in lieu thereof "KRS 157.390 (1) and (2)"

Adopted.

Representative Ockerman moved that action on **HB 516** be deferred indefinitely. Agreed.

Representative Everett moved that **HB 498** be taken from Orders of the Day, that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 76—Anderson, Arnold, Bach, Bartley, Barton, Breckinridge, Brown, Buchanan, Buckner, Burke, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Ford, Gay, Greene, Hahn, Hale, Haley, Hall, Hart, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, Isler, H. N. Johnson, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Parrish, Peace, Qualls, Ratcliffe, Raybourne, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Sowards, Stith, S. R. Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Wirsch, Young; Nays, 0.

HB 498 was passed and the title agreed to.

HB 605 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 60—Anderson, Arnold, Bach, Bartley, Barton, Breckinridge, Brown, Burke, Casey, Clore, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Finney, Fitzpatrick, Ford, Greene, Gullette, Hale, Haley, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, Isler, Huston Johnson, Kingsbury, Kubale, Lyon, McCallum, McReynolds, Mackey, Moore, Ockerman, Parrish, Peace, Qualls, Ratcliffe, Raybourne, Render, C. R. Reynolds, Richards, Searcy, Stith, Tanner, Wathen, Wells, Whitehead, Wirsch, Young; Nays, 0.

HB 605 was passed and the title agreed to.

HB 341 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 44—Anderson, Bach, Barton, Breckinridge, Casey, Clore, Combs, Bill Cornett, W. F. Davis, Everett, Fields, Finney, Fitzpatrick, Ford, Greene, Gullette, Hahn, Hale, Hinkle, Hislope, Howard, Isler, Kingsbury, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Parrish, Qualls, Render, C. R. Reynolds, Searcy, Stith, Tanner, S. R. Thomas, Walsh, Wathen, Wells, Willen, Wirsch, Young; Nays, 9—Dempsey, Duff, Haley, Hart, Huddleston, H. Nick Johnson, Ockerman, Ray, R. Reynolds.

HB 341 was passed and the title agreed to.

Representative Tanner moved that the vote by which **HB 341** was passed be reconsidered and said motion laid on the table. Agreed.

HB 408 taken from Orders of the Day on recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. **HB 408** read for the third time.

On roll call, the vote was: Yeas, 46—Anderson, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buchanan, Buckner, Casey, Chaudoin, Clore, Coffey, Combs, Bill Cornett, P. W. Cornett, W. F. Davis, Dempsey, Duff, Everett, Finney, Fitzpatrick, Ford, Hale, Hall, Hart, Hodges, H. N. Johnson, Lyon, McReynolds, Mackey, Nunn, Peace, Qualls, Ratcliffe, Ray, Render, C. R. Reynolds, R. Reynolds, Richards, Sowards, Stith, Wathen, Willen, Wirsch, Young; Nays, 7—Gullette, Haley, Hinkle, Hislope, Ockerman, Parrish, S. R. Thomas.

HB 408 was passed and the title agreed to.

Motions

Representative Ockerman moved that the House adjourn until 1:00 p.m., March 19. Rejected.

Orders of the Day

HB 517 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. **HB 517** read for the third time.

On roll call, the vote was: Yeas, 40—Arnold, Bartley, Billington, Breckinridge, Buchanan, Buckner, Burke, Casey, Chaudoin, Combs, M. W. Cook, Crecelius, P. F. Davis, Everett, Finney, Fitzpatrick, Gullette, Haley, Hart, Hinkle, Hopkins, Howard, Isler, Kingsbury, Kubale, Lyon, McCallum, Mackey, Newberry, Ockerman, Render, R. Reynolds, Richards, Searcy, Stith, Wathen, Weintraub, Willen, Wirsch, Young; Nays, 6—Brown, W. F. Davis, Dempsey, Ford, Nunn, Parrish.

HB 517 was passed and the title agreed to.

HB 405 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be given its third reading and placed on passage. Agreed. **HB 405** read for the third time.

On roll call, the vote was: Yeas, 59—Anderson, Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Casey, Chaudoin, Coffey, Combs, M. W. Cook, Crecelius, P. F. Davis, W. F. Davis, Duff, Fields, Finney, Fitzpatrick, Ford, Greene, Hale, Haley, Hall, Hart, Hinkle, Hislope, Hodges, Hopkins, Howard, Isler, H. N. Johnson, Kingsbury, Lowman, Lyon, McGuire, Mackey, Nunn, Ockerman, Qualls, Raybourne, Render, C. R. Reynolds, R. Reynolds, Searcy, Sowards, Stith, Tanner, Wathen, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 1—Dempsey.

HB 405 was passed and the title agreed to.

Announcements

The Speaker announced that the Rules Committee would meet at 10:00 a.m., March 19.

Representative Everett moved that the House adjourn until 11:00 a.m., March 19. Agreed.

WEDNESDAY, MARCH 19, 1958

FIFTY-EIGHTH LEGISLATIVE DAY

The House was called to order by Speaker Weintraub.

Invocation by the Reverend Edward L. Tullis, of the First Methodist Church, of Frankfort.

The roll was called. All members present except Bach, Buckner, Casey, Paul Cornett, Dempsey, Fields, Gay, Hale, Hislope, H. Nick Johnson, Huston Johnson, Miller, Ray, Reed, Searcy, Sowards, Rev. Tinsley, Young, who were excused on motion of Representative Chaudoin.

Representative Isler moved that the reading of the Journal for March 18 be dispensed with and the same approved. Agreed.

Motions

Representative Isler moved that the House recess for forty-five minutes for lunch. Rejected.

Representative McCallum moved that Legislative Research be directed to mail five copies of the Legislative Record (final copy) to Members of the House. The Speaker announced that inquiries would be made as to the possibility of such action.

Report of Rules Committee

The Rules Committee reported **SB 204, SB 302, SB 317, SB 336, SB 348,SB 351, SR 9, SR 14, SR 15, SR 34, SR 37, SR 40, SR 43, SR 50, SR 51, SR 52, SR 58, SR 61, SR 63, SR 68, SR 69, SR 45, SR 79, SR 89** with the expression of opinion that the same should pass. Ordered read at length for the first time and placed in the Calendar.

SB 204, AN ACT relating to tobacco warehouses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 248.290 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall operate a tobacco warehouse without first having obtained an annual license from the Department of Agriculture, Labor and Statistics.

(2) Each warehouse shall pay to the department an annual license fee of twenty-five dollars. A license fee shall be paid on each warehouse building operated as a place of sale for tobacco, regardless of the number of such buildings owned by any individual, corporation, firm or other type of management organization. It shall be paid on July 1 of each year.

(3) The amount of the license fees collected by the department shall be paid into the State Treasury to the credit of a revolving account to be used in the administration of this section.

Section 2. (1) The department may suspend or revoke the license of any warehouseman convicted by a court of competent jurisdiction for wilfully mis-weighing any tobacco, and may refuse to grant a license to any warehouseman so convicted.

(2) Any warehouseman whose license has been suspended or revoked, or whose application for a license has been refused, as herein provided, may appeal to the Board of Agriculture, which Board, after hearing, may affirm, reverse or modify the order appealed from. The order of the Board may be appealed to the Franklin Circuit Court as provided in Section 11 of this Act.

Section 3. Section 248.300 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department shall administer KRS 248.290 to 248.450 and shall have general supervision over the sale of tobacco in warehouses throughout the state.

(2) The Commissioner shall employ such inspectors and other employes as are necessary for the enforcement of KRS 248.290 to 248.450 and fix the duties and compensation of such employes.

Section 4. Section 248.410 of the Kentucky Revised Statutes is amended to read as follows:

(1) All warehousemen shall submit to the Department a list of the names of all weighmen employed, and shall post with the Department a bond in the amount of one thousand dollars for each weighman listed, with surety approved by the Department, conditioned on the faithful performance of his duty.

(2) Whenever an allegation is made that any bonded weighman has wilfully misrepresented the weight of any tobacco weighed by him, the Department shall order a hearing thereon. If, after hearing, it is determined that the weighman has wilfully misrepresented the weight of any tobacco weighed by him, his bond shall be forfeited and the proceeds thereof paid into the State Treasury. Any order of forfeiture may be appealed within twenty days to the Board of Agriculture, which after hearing may affirm or set aside such order. The order of the Board may be appealed to the Franklin Circuit Court as hereinafter provided.

(3) No person other than a bonded weighman shall be permitted to weigh tobacco for the purpose of sale at any tobacco warehouse.

(4) All tobacco placed on any warehouse floor for the purpose of sale shall be weighed by a bonded weighman. If any such tobacco is placed on the floor earlier than the fifteenth day prior to the opening date of sales for that season, it shall be weighed or re-weighed by a bonded weighman on or after said fifteenth day and such weighing or re-weighing shall constitute the official weighing for the purposes of this Chapter.

Section 5. Section 248.420 of the Kentucky Revised Statutes is amended to read as follows:

No warehouseman shall attempt by any means to influence a weighman to report falsely the weight of any tobacco sold on the floor of his warehouse.

Section 6. Section 248.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who receives or undertakes to receive or take care of leaf tobacco for sale at public auction, whether with or without compensation, shall post or cause to be posted, a notice, in a conspicuous place upon his premises, stating the number of pounds in the aggregate, actually sold, and the average price per pound received on account of each day's sale. He shall post the notice not later than 9 a.m. on the day following the sale. He shall also, not less than thirty minutes prior to such a sale, post at a point in the office of his warehouse, convenient and accessible for public inspection, a typewritten or printed list showing the true name and postoffice address of the owner and producer and the number of pounds of tobacco of each person whose tobacco will that day be offered for sale in the warehouse. No tobacco shall be delivered to or received by any warehouse for sale at public auction, unless the true names and post-office addresses of the producer and owner of the tobacco are furnished the warehouse by the person delivering the tobacco.

(2) No person shall, in the notice required by subsection (1), falsify the actual number of pounds sold or the average price of the tobacco sold, or falsely list the name, post-office address or number of pounds of tobacco of any producer or owner whose tobacco will that day be offered for sale, or furnish a false name or address of the owner or producer to any warehouse.

(3) No warehouseman who posts the list of the names and post-office addresses of the owners and producers of tobacco to be offered for sale in his warehouse, as required by this section shall be liable to the holder of any lien on such tobacco, whether under a recorded chattel mortgage or otherwise, unless written notice of such lien and the amount thereof is given to the warehouseman prior to the payment of the proceeds of sale to the owner or producer; and a bona fide purchaser for value of such tobacco at auction in the ordinary course of business shall take title thereto free and clear of all liens and encumbrances.

Section 7. (1) There is hereby created in the Department of Agriculture, Labor and Statistics, a "Tobacco Auction Warehouse Board" to be composed of the Commissioner of Agriculture, Labor and Statistics, as ex-officio chairman, and six members appointed by the Governor, as follows: Two producer members from a list or lists of the names of tobacco farmers submitted by the Kentucky Farm

Bureau Federation and by such other farm organizations; two warehouse members from a list or lists of the names of tobacco auction warehouse operators submitted by the Burley Auction Warehouse Association; and two buyer members from a list or lists of the names of persons engaged in the business of buying loose leaf tobacco at auction submitted by the Burley Leaf Tobacco Dealers Association and by such other tobacco buyers' trade organizations.

(2) All members appointed to the Board shall serve three years, and until their successors are appointed and qualified; except that in the case of the members first appointed, two shall be appointed for one year, two for two years, and two for three years, beginning July 1, 1958. All members must be residents of the Commonwealth and no two appointed members shall be residents of the same county. Vacancies occurring during a term shall be filled by appointments for the unexpired term from a list of names submitted by the respective organization.

Section 8. (1) No person shall operate a warehouse for the sale of tobacco at public auction, or increase the floor space or selling capacity of any such warehouse, without having obtained from the Tobacco Auction Warehouse Board a permit therefor. Any person who violates any of the provisions of this section, shall, upon conviction, be fined not less than one hundred dollars nor more than one thousand dollars for each offense; and each day of operation without the required permit shall constitute a separate offense. Upon complaint filed by the Commissioner of Agriculture, Labor and Statistics, by the holder of any lawful permit issued hereunder, or by any other party in interest, violation of the provisions hereof may be enjoined by any court of competent jurisdiction.

(2) Application for any such permit shall be filed in such manner as the Board may prescribe. Upon the filing of any application, the Board shall fix a time and place for a hearing thereon. If, after hearing, it appears that existing warehouse service is inadequate, and that there is sufficient need for and the public interest requires such warehouse of such additional warehouse space in the locality in which it is proposed to be established, the Board shall grant such permit; but unless it so appears, the application shall be denied.

Section 9. Any person, partnership, firm, association, or corporation that operated a duly licensed warehouse for the sale of tobacco at public auction during the 1957-58 sales season shall, on submitting proof of such operation, be entitled to a permit for the floor space or selling capacity actually in bona fide use during such season if application for such permit is made on or before October 1, 1958.

Section 10. If any warehouse for which a permit has been issued, or any warehouse entitled to a permit under the provisions of Section 9, is damaged or destroyed by fire or other casualty, it may be repaired or rebuilt without any additional permit; but if the floor space or selling capacity is increased, a new permit for such increase must be obtained.

Section 11. (1) Any person aggrieved by any order of the Board of Agriculture in revoking, suspending or refusing a license or in forfeiting a weighman's bond, or by any order of the Tobacco Auction Warehouse Board in granting or refusing a permit, may appeal to the Franklin Circuit Court by filing a petition for review within thirty days after entry of the order appealed from.

(2) The Commissioner and all persons who appeared in the proceedings before such Board shall be made parties. The petition shall state fully the grounds upon which review is sought and shall assign all errors relied on. The appellant shall furnish a copy of the petition to each adverse party. Summons shall be issued on the petition directing the appellees to answer within twenty days after service. Within thirty days after service of summons, the Commissioner shall file a copy of the evidence and proceedings before the Board, duly certified by him, the cost of such copy to be taxed as costs upon the appeal. In lieu of such record, an abstract thereof may be filed if agreed to by all parties to the appeal.

(3) No new or additional evidence may be introduced in the circuit court except as to fraud or misconduct affecting the order appealed from; and the court shall hear the case on the certified record or abstract thereof, its review being limited to determining whether or not the Board acted without or in excess of its power, the order was procured by fraud, the order is in conformity with the provisions of this Chapter, and the findings of fact in issue are supported by any substantial evidence.

(4) The court shall enter judgment confirming, modifying or setting aside the order, or remanding the case for further proceedings in conformity with the directions of the court. The final judgment of the circuit court may be appealed to the Court of Appeals in accordance with the Rules of Civil Procedure.

Section 12. Subsection (9) of Section 248.990 of the Kentucky Revised Statutes is amended to read as follows:

(9) Any person who violates any of the provisions of KRS 248.410 or 248.420 shall be fined not less than five hundred dollars nor more than two thousand dollars for each offense.

SB 302, AN ACT relating to the interstate system of highways.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of KRS 177.220 to 177.310 is created to read as follows:

(1) The rights-of-way of limited access streets and highways shall not be available for the establishment of automotive service stations or other commercial establishments the use of which by motorists would be inconsistent with the plan of limited access.

(2) This section shall not apply to enterprises established under KRS 177.480.

SB 317, AN ACT relating to retirement of state employes and officials.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 61.525 of the Kentucky Revised Statutes is amended to read as follows:

Membership in the system shall consist of the following:

(1) Members of the General Assembly who elect to join the **system;**

(2) All persons who become employes of a participating department after the date such department first participates in the system; and

(3) All persons who are employes of a department on the date the department first participates in the system, either in service or on authorized leave from service, and who elect prior to October 1 next following such department's participation, or in the case of persons on authorized leave, within ninety days of their return to active service, to become members and thereby agree to make contributions as provided in KRS 61.510 to 61.700.

Section 2. A legislator who elects to join the Kentucky Employee's Retirement System shall join within thirty days after the beginning of his first term of office. A legislator holding office at the time this Act takes effect and joining within thirty days after the effective date of this Act shall be deemed to have joined within thirty days of the beginning of his first term provided he pays to the system an amount equal to the contribution he would have made during his service in the 1958 session of the General Assembly if this law had been operative during that session. A person with prior legislative service but not holding office on the effective date of this Act may join at any time before October 1, 1960.

Section 3. Subject to the following exceptions, a legislator's membership in the system shall be subject to the provisions of KRS 61.510 to 61.700:

(1) A legislator shall contribute five percent of his compensation;

(2) A legislator shall be eligible for service retirement at age sixty-five with four regular and/or special sessions of service in the General Assembly;

(3) A legislator's annual service retirement allowance shall be two and one-half percent of a session's compensation multiplied by the number of sessions he has served, regardless of when served;

(4) A legislator shall not be compelled to retire at any age, and a legislator who has retired may rejoin the system upon his re-election, under regulations that the Board of Trustees shall promulgate;

(5) For purposes of administration, the Department of Finance shall be a legislator's employer;

(6) A legislator shall not be subject to death benefit and disability allowance provisions of KRS 61.510 to 61.700.

Section 4. The Board of Trustees shall study the feasibility of establishing a program of death benefits and disability allowances for legislator members on a scale commensurate with legislators' rate of contribution and benefits, and shall report its findings to the 1960 Session of the General Assembly.

Section 4½. The board shall develop an equitable formula for determining the retirement date of a member who has served both as a state employe and as a legislator and for determining the member's service retirement allowance. A member who is eligible to retire either as a legislator or as a state employe may have his benefits calculated as a legislator or as an employe, whichever is greater.

Section 5. For the purposes of this Act, there is appropriated to the Department of Finance out of the General Fund the sum of $15,000 for the fiscal year 1958-1959, and the sum of $15,000 for the fiscal year 1959-1960.

SB 336, AN ACT relating to rural highways.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

There is hereby appropriated from the State Road Fund for the construction, reconstruction, improvement and maintenance of country roads and bridges the sum of two million five hundred thousand dollars, which amount shall be in addition to any and all other sums appropriated for such purpose.

Section 2. The Department of Highways shall allocate the sum appropriated by Section 1 of this Act for the construction, reconstruction, improvement and maintenance of county roads and bridges as follows:

(1) One-fourth of the sum appropriated shall be apportioned equally between the one hundred and twenty counties.

(2) One-fourth of the sum allocated shall be apportioned among

the several counties on the basis of the ratio which the rural population of each county bears to the total rural population of the state. Rural population, as used herein, means the population outside cities and towns having a population of five thousand or more as shown by the most recent decennial census of the United States Bureau of the Census.

(3) One-fourth of the sum allocated shall be apportioned among the several counties on the basis of the ratio which the square mile area of the county bears to the total square mile area of the state.

(4) One-fourth of the sum allocated shall be apportioned among the several counties on the basis of need and ability to provide necessary funds.

The Department of Highways at the close of each quarter of the current fiscal year, or as soon thereafter as practicable, shall furnish to the fiscal courts of the several counties a statement showing the total amount of all disbursements, the unliquidated and unencumbered balances of the funds allocated to the respective counties for that fiscal year.

Section 3. The funds apportioned the several counties under the provisions of this Act shall be expended by the Department of Highways in accordance with the provisions of KRS 179.420 and 179.430.

SB 348, AN ACT relating to death benefits payable under the Teachers Retirement System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Death benefits payable under the provisions of Chapter 161 of the Kentucky Revised Statutes and the provisions of the Teachers Retirement System shall be paid to beneficiaries becoming eligible by May 1, 1958, or upon passage of this Bill and approval by the Governor, whichever date comes first.

Section 2. WHEREAS, there is a pressing need for the payment of such benefits immediately, an emergency is hereby declared to exist and this Bill becomes effective upon its passage and approval by the Governor.

SB 351, AN ACT relating to elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 126.140 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Absent voter" includes any qualified voter who in good faith expects in the course of his business or duties to be absent from

the county wherein he is registered to vote, except a voter who has voted only by absentee ballot for more than four years preceding; and any qualified voter who is eligible for absent registration under KRS 126.170;

(2) "Election" includes any regular election, primary election or special election, for any federal, state, district, county or city office, including school district offices, and any election upon a public question;

(3) "Armed Forces" includes the Air Force, the Army, the Coast Guard, the Marine Corps and the Navy.

Section 2. Section 126.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) Application for absent voter's ballots shall be signed and sworn to by the absent voter before a civil officer authorized by law to administer an oath. The application shall be substantially in the following form:

"County Court Clerk of ____________________________ County, ______________________, Kentucky.

"I, ________________________________, state that I am a resident of the Commonwealth of Kentucky, that I have been such for at least one year prior to the date hereof, and that I have not voted only by absentee ballot for a period of longer than four years. I am a resident of _____________ County and have been such for more than six months prior to said date and that on the day of the election to be held on __________ day of __________, 19____, I expect to be absent from the county in the course of my business or duties for the following reasons ____; that I am a resident of ____________ precinct of said county (or__________ ward of the city of ________________, County of _________________), and have been such for at least sixty days prior to said date; that I reside at ___________________________________ (house number and street address, if in city, or county road and nearest neighbor, if in county) that I will be at least eighteen years of age by the day of the next election and that I am a duly qualified voter of said precinct (or said ward), and I am affiliated with the ________________________ political party; I request that an official ballot be mailed to me at the following address:

____

(Name and address)

____

(Rank and unit of a member or the spouse of a member of the Armed Forces)

____

(Department of United States Government if an employe or the spouse of an employe stationed abroad)

"I understand that this application is subject to grand jury investigation and that the penalty for false representation on this application is one to five years in the penitentiary."

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(Voter must sign here, and oath must be
administered and attested.)

"Subscribed and sworn to before me this ---- day of ----------, 19-----.

----------------------------------
(Name and Official Title)"

(2) Application for an absentee ballot by members of the Armed Forces on a Federal Post Card Application prescribed by Congress shall be deemed to be in substantial conformance with the requirements of this Section.

(3) No officer who is a candidate shall administer the oath required in making application for an absentee ballot. This prohibition shall also apply to official deputies of candidates.

Section 3. Section 126.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon receipt of any application for an absent voter's ballot, the county court clerk shall examine the registration books for the purpose of ascertaining whether or not the applicant is a registered voter as stated in the application. If the county court clerk finds that the applicant is so registered, he shall forward a ballot to the voter as provided in KRS 126.190. If the county court clerk does not find the applicant to be so registered, and if the application does not indicate that the applicant is a member or the spouse of a member of the Armed Forces, or an employe or the spouse of an employe of the United States Government stationed abroad, the clerk shall immediately mail a letter to the applicant, at the address stated in the application, advising him that his application cannot be honored because of the fact that he is not registered, and advising him what period of time, if any, remains in which he may register prior to such election, and the clerk shall place the application in a file entitled "Nonregistered Applicants for Absent Voters' Ballots." If the clerk thereafter, and prior to the election, receives notice from the applicant advising the clerk that the applicant has registered, the clerk shall again examine the registration books, and if he finds that the applicant has registered he shall remove the application from the nonregistered applicants' file and forward a ballot as provided in KRS 126.190. Any applications not so removed from the nonregistered applicants' file shall be retained in such file until six months after the election when they shall be burned by the clerk in the presence of the judge and sheriff of the county. If the application of a person found not to be registered indicates that the applicant is a member or the spouse of a member of

the Armed Forces, or an employe or the spouse of an employe of the United States Government stationed abroad, the **county court clerk,** upon being satisfied that the applicant is entitled to be registered, shall cause the applicant to be registered in the registration records of the proper precinct, and shall mark upon such registration records the words "Absentee Registration." Such registration may be made at any time prior to the election for which application for an absent voter's ballot is made.

(2) Any person who has been registered under the provisions of subsection (1) of this Section shall be required to reregister in person upon his first return to the county of his residence at a time when the books are open.

(3) The oath required of a member or the spouse of a member of the Armed Forces shall be taken as specified in KRS 384.080 and the oath required of a civilian employe of the United States Government or his spouse stationed abroad may be taken by the persons mentioned in KRS 382.150. The seal of such officer must be attached to all oaths required under this Section.

Section 4. Section 126.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Secretary of State shall cause to be prepared and printed an appropriate number of inner envelopes for absent voters' ballots, for all counties. Each such envelope shall be gummed, ready for sealing. Upon one side of such envelope shall be printed, in substantially the following form:

OFFICIAL ABSENT VOTER'S BALLOT

Name of Voter --

Residence (street and number, if any) -------------------------

County of ---

City or Town of --

On the other side of such envelope shall be printed the following oath:

"I do hereby swear (or affirm) that I am a citizen of the United States and am now of the age of at least eighteen years or will be on the day of the election to be held on the ------ day of -----------, 19-----, that I will have been a resident of the State of Kentucky for at least one year next preceding such election, and a resident of the County of ----------------------- for more than six months preceding such election, and a resident of ------------- precinct of said county (or ----------- ward of the city of ----------------, County of ----------------------) at least sixty days preceding such election; that I am a duly qualified voter of said precinct or said ward, and I am affiliated with the ---------------- political party; that I have not voted only by absentee ballot for a period longer than four years; that in the course of my business or duties I in good faith expect to be absent from my county or residence at the time of said election for the following reasons: ________________________________.

"I understand that this affidavit is subject to grand jury investigation and that the penalty for false representation in this affidavit is one to five years in the penitentiary."

____

(Voter must sign here, and oath must be administered and attested.)

"Subscribed and sworn to before me this _____ day of __________, 19_____.

____

(Official Title)"

(2) Such oath shall constitute prima facie evidence that the voter is qualified to vote, unless the statements contained in such oath indicate the contrary.

Section 5. Section 126.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Secretary of State shall cause to be prepared and printed an appropriate number of forms for application for absent voters' ballots, and of instructions for absent voters. The Secretary of State shall furnish to each county court clerk, upon application, a sufficient number of inner envelopes, application forms, and instructions.

(2) Before being distributed, all inner envelopes and application forms shall be serially numbered so as to identify the envelopes and forms and to show the number sent to each clerk. The Secretary of State shall keep a record of distribution and the clerks shall keep a record of the number received for each election. The clerk shall keep a record of his distribution of applications which shall show to whom delivered and for whose use intended. Such records shall be open to inspection at all times. All envelopes and forms not used for the election for which they were distributed shall be returned to the Secretary of State within thirty days after the election.

(3) No inner envelopes or application forms shall be printed except on order of the Secretary of State.

(4) As soon as practical and not later than one week after the time for making applications for absentee ballots has expired, the county clerk shall cause the names and addresses of all persons for whom absentee ballot applications have been issued to be published at least once in every newspaper having a general bona fide circulation in the county.

Section 6. Section 126.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the absentee voter receives the ballot and the two envelopes, he shall go before some civil officer authorized by law to administer an oath and before him make and subscribe to the affidavit

on the face of the envelope and shall, in the presence of such officer and no one else, mark the ballot so as to indicate the way he desires to vote, but in such manner as to prevent the officer from knowing how the ballot is marked or how he has voted. He shall then, while in the presence of the officer, fold the ballot in such way as to conceal the markings made thereon by him, and after the ballot has been so folded, he shall enclose it in the inner envelope; then seal said envelope and enclose in the outer envelope; then seal and write his name across the face of the outer envelope, and at once mail it to the county court clerk.

(2) No officer who is a candidate shall administer the oath required for voting an absentee ballot. This prohibition shall also apply to official deputies of candidates.

Section 7. Section 126.240 of the Kentucky Revised Statutes is amended to read as follows:

Before sending an absent voter's ballot to any applicant prior to any election, the county court clerk shall provide himself with one or more legal ballot boxes, as may be required. The boxes shall be locked in the presence of the county board of election commissioners with three padlocks on each box, and the key to one lock on each box shall be delivered to each member of the county board of election commissioners. The boxes shall remain locked, and the members of the county board of election commissioners shall retain the keys in their possession, until the boxes have been delivered to the county board of election commissioners following the election and opened as provided in KRS 126.270.

Section 8. Section 126.250 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the county court clerk receives an absent voter's ballot, he shall immediately stamp on the outer envelope the day and hour he received the same. All such ballots received by him prior to the hour for closing the polls on the day of the election shall be deposited in the ballot box provided for in KRS 126.240, without opening the outer envelope. All ballots received by the clerk after the hour for closing the polls on the election day shall be kept by the clerk unopened until six months after the election, when they shall be burned by the clerk in the presence of the county judge and sheriff without being opened.

(2) In the case of ballots received prior to the time the registration copy records are delivered to the precinct officers, the county court clerk shall indicate or cause to be indicated upon such copy records the fact that the voter has voted as an absentee. In the case of ballots received after the registration copy records have been delivered to the precinct officers, but before the hour for closing the polls, the county clerk shall, within five days after the election, indicate or cause

to be indicated upon the copy registration records the fact that the voter has voted as an absentee.

Section 9. Section 126.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) Immediately following the closing of the polls on the election day, the county court clerk shall deliver to the county board of election commissioners the ballot boxes containing the ballots of absent voters, the lists of persons to and for whom applications were issued, and the applications themselves. The board, before opening other ballot boxes, shall open the boxes containing absent voters' ballots, and remove the envelopes one at a time. As each envelope is removed, it shall be examined to ascertain whether the outer envelope is in proper form and bears the stamp of the county court clerk indicating that it was received prior to the closing of the polls. If the outer envelope is found to be satisfactory in these respects, the outer envelope shall be opened, and the inner envelope shall be examined for the purpose of ascertaining whether the name of the voter on the envelope corresponds to the name opposite the envelope number on the application list; whether the inner envelope is regular and in the form and condition required by this chapter and is properly sealed; and whether the affidavit on the face thereof is regular and in the form required by this chapter. If the inner envelope is found to be satisfactory in these respects, the clerk of the county board of election commissioners shall read aloud the name of the absent voter. If the vote of such voter is not rejected on a challenge then made as hereinafter provided, the clerk shall then open the envelope and remove the ballot therefrom without unfolding it, and in such a way as not to expose the markings thereon or how the absent voter has voted. The clerk shall write his name on the back of the ballot and then hand it to one of the members of the board of election commissioners, who shall write his name on the back of the ballot, detach the secondary stub, and then place the ballot in a regular ballot box which has been provided for the purpose.

(2) When the name of an absent voter is read aloud by the clerk, the vote of such voter may be challenged and the challenge thereto may be determined and the vote accepted or rejected by the board of election commissioners as if the voter were present and voting in person, but if the envelopes and the affidavit on the face of the inner envelope are regular, and substantially comply with the provisions of this chapter, they shall be considered as showing that the absent voter is prima facie entitled to vote. If the vote of an absent voter is rejected pursuant to the challenge, the inner envelope shall not be opened, and the clerk of the board of election commissioners shall write on the envelope the word "rejected." Such rejected ballots shall be handled as other rejected ballots.

(3) After the absent voters' ballots have been signed and re-de-

posited in a ballot box, as provided in subsection (1), the box shall be thoroughly shaken so as to redistribute the ballots in the box. The board of election commissioners shall then reopen the box and count the ballots and tabulate them separately on sheets to be provided by the county court clerk.

(4) The representatives of interested groups allowed by law to witness the count of ballots shall be allowed to witness all procedures relative to the inspection of absent voters' envelopes and lists of applications.

(5) The two envelopes from each ballot, together with the ballots, shall then be delivered to the county court clerk who shall retain them until six months after the election, when they shall be burned by the clerk in the presence of the county judge and the sheriff. If a contest or recount proceeding is instituted during said six-month period, the ballots shall not be burned but shall be disposed of as directed by the court in which such proceeding was instituted.

Section 10. Section 126.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who, for the purpose of voting under the provisions of KRS 126.140 to 126.320, swears to or affirms an application for an absent voter's ballot, or swears to or affirms the oath on the inner envelope for an absent voter's ballot, knowing that the same contains any false statement, shall be confined in the penitentiary for not less than one nor more than five years.

(2) Any county court clerk, his deputy or employe, or election officer who willfully refuses or fails to perform any of the duties required of him by KRS 126.140 to 126.320, or who in any manner willfully violates or abuses any trust or duty imposed on him by those sections, shall be fined not less than two hundred dollars nor more than one thousand dollars.

(3) Any person who, by threat, bribery, corrupt or arbitrary measure, offer or payment of reward, or by other unlawful means, interferes with any qualified voter in the free exercise of his right to vote under the provisions of KRS 126.140 to 126.320, shall be fined not less than one hundred dollars nor more than one thousand dollars.

(4) Any person who obtains an application through the use of a fictitious name, or who, after obtaining an application for a designated voter, delivers it to another person, shall be fined not less than one hundred dollars nor more than one thousand dollars.

Section 11. Section 118.400 of the Kentucky Revised Statutes is amended to read as follows:

(1) In the case of offices or public questions voted upon by a county or a district less than a county, the county board of election commissioners shall make out duplicate certificates of the total number of votes received by each of the candidates for such offices, and

the total number of votes for and against each of such public questions. The board shall forward one of the certificates to the Secretary of State in all cases, and the other to the elected candidate, unless he has failed to comply with KRS 123.060, 123.070 or 123.080. If the board finds that two or more candidates have received the highest and equal number of votes for the same office, the board shall determine by lot which of the candidates is elected.

(2) In the case of offices voted for by the state at large or by a district greater than one county, and in the case of public questions submitted to the vote of the people of the state at large or of a district greater than one county, the county board of election commissioners shall make out duplicate certificates of the total number of votes received by each of the candidates for such offices, and the total number of votes for and against each of such public questions. One of the certificates shall be kept for a record in the office of the county clerk. The board shall, not later than five days after the completion of the count of the votes, forward the other certificate by mail to the Secretary of State, who shall deliver it to the State Board of Election Commissioners.

SR 9, A RESOLUTION directing a continuing evaluation of the Minimum Foundation Program and its administration in the common school system of the Commonwealth.

WHEREAS, the Minimum Foundation Law enacted in 1954, as implemented and more fully financed by the 1956 General Assembly, is designed to improve the common school system of the Commonwealth, not only with respect to compensation of teachers, physical structures, equipment, quantity and quality of pupil transportation vehicles, but more importantly in providing future citizens and leaders with progressively better educational opportunities;

WHEREAS, many compelling reasons involving among others matters of economics, social welfare and, probably the most compelling of any, national security make it mandatory that the rate of improvement not only continue uninterruptedly, but that it be accelerated;

WHEREAS, it appears that a continuing study evaluating the accomplishments of the system and identifying those policies and practices which are contributing and those which are not contributing to the desired end will be of invaluable aid in determining future action of the General Assembly in its efforts to provide ways and means of increasing educational opportunities and efficiency;

WHEREAS, the expenditure of $60,105,700 for 1958-1959 and $62,481,300 for 1959-1960 is contemplated, which sums represent an increase of eight-four percent over the 1954-56 biennium, it is imperative in the interests of economy and efficiency that such a continuing evaluation be made;

WHEREAS, the Senate in Senate Resolution Number 9, Third Extraordinary Session 1956, directed a study of the administration of the common school system, and

WHEREAS, the Legislative Research Commission was unable to complete the study of financial requirements of the common school system, the Commission having determined that a continuing study was necessary for proper evaluation;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission be, and is, hereby authorized and directed to make a continuing and comprehensive study of the common school system, evaluating the accomplishments of the minimum foundation program, continuously reappraising the system in terms of funds expended, opportunities offered, and results obtained, examining the adequacy of provisions of law relating to the common school system, and evaluating administration of the program.

Section 2. That the Departments of Finance and Education and the local school districts be, and are, hereby directed to extend to the Legislative Research Commission their full and complete cooperation by supplying any requested records, statistics, materials, and reports and in any other particular in which the study may be implemented.

Section 3. That the Legislative Research Commission be, and is, hereby authorized to employ such additional qualified and experienced personnel, as it may deem necessary to perform the directed evaluation.

Section 4. That periodic reports on the results of the study be submitted to the members of the General Assembly at such times as results warrant, but in any event a report shall be prepared for each regular session of the General Assembly.

SR 14, A JOINT RESOLUTION directing the Legislative Research Commission to study the fee system of compensation for official duties.

WHEREAS, it appears that a fee system of compensation for official duties creates opportunities for malfeasance bordering on the pernicious;

WHEREAS, it appears that the evils inherent in such a system have come to the attention of the citizenry and have become a matter of general concern;

WHEREAS, the interests of justice would seem to demand a modification of the system to remove therefrom the possibility of unjust practices; and

WHEREAS, it appears the most practical approach to the correction of the patent evils of the system would be the substitution of a system of salaried compensation for official duties in all instances where such compensation is presently by fee;

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is authorized and directed to make a comprehensive study of the desirability and practicality of a salaried system of compensation for official duties as opposed to a fee system of compensation for such duties.

Section 2. That the results of such study be made the subject of a report by the Legislative Research Commission to the General Assembly, such report to be submitted at the 1960 Regular Session.

SR 15, A JOINT RESOLUTION directing the Legislative Research Commission to study the curricula of the public schools and institutions of higher learning of the Commonwealth relative to science studies.

WHEREAS, it appears that the United States of America is failing to produce scientists in numbers sufficient to the needs of the nation;

WHEREAS, it appears that this situation has resulted in part from a deficiency in the curricula of our public schools and institutions of higher learning with respect to the number and quality of scientific courses offered; and

WHEREAS, it appears that the survival of the Commonwealth and the nation may well depend upon the education of greater numbers of men and women well schooled in all the fields of science;

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is hereby authorized and directed to make a study of the present curricula of our public schools and institutions of higher learning with respect to the opportunities for the study of the sciences which said public schools and institutions of higher learning offer.

Section 2. That the findings of the Legislative Research Commission be made the subject of a report to the General Assembly of the Commonwealth of Kentucky, such report to be submitted not later than the 1960 regular session.

SR 34, A JOINT RESOLUTION authorizing and directing the Legislative Research Commission to study the feasibility of the Commonwealth's purchasing the land on which dams are to be located by the United States Corps of Engineers.

WHEREAS, it is generally conceded that Kentucky is one of the states having the greatest industrial potential among the forty-eight states of this nation;

WHEREAS, due in part to the lack of a stable or ample water supply this potential has not been realized in any appreciable degree, and

WHEREAS, it is desirable that the State of Kentucky cause to be constructed within its borders more lakes to the end that industrial development will be accelerated,

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission be and is hereby authorized and directed to make a study of the feasibility of the Commonwealth's purchasing land upon which the United States Corps of Engineers has determined a dam is to be located and also lands upon which it is anticipated such dams will be located.

Section 2. That the Legislative Research Commission publish its report and findings prior to the next meeting of the General Assembly of Kentucky in the year 1960.

SR 37, A JOINT RESOLUTION authorizing civil action against the Commonwealth of Kentucky, Department of Revenue, in the interest of William E. Scent.

WHEREAS, it appears by affidavits that William E. Scent was employed by the Department of Revenue pursuant to authority granted by KRS 134.380 for the purpose of representing the Commonwealth before the Court of Appeals in litigation styled Allphin v. L. & N. Railroad Co., 290 S.W. (2d) 787, and Allphin v. Joseph E. Seagram and Sons, 294 S.W. (2d) 515, and during the year 1956 did render valuable legal services to the Commonwealth pursuant to said employment;

WHEREAS, said William E. Scent did expend approximately $100.00 of his own funds as the direct result of said employment and representation on behalf of the Commonwealth;

WHEREAS, said William E. Scent has not received any compensation for said services and has not been reimbursed for said expenses because his said employment was not approved in writing by the Governor; and, WHEREAS, the just and reasonable value of the legal services he so rendered can best be ascertained and determined by judgment of a court of this Commonwealth;

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. William E. Scent is authorized to sue the Commonwealth of Kentucky, Department of Revenue, in the Franklin Circuit Court to recover the just and reasonable value of the legal services rendered during 1956 to the Commonwealth of Kentucky, Department of Revenue, in the litigation styled Allphin v. L. & N. Railroad Co., 290 S.W. (2d) 787, and Allphin v. Joseph E. Seagram and Sons, 294 S.W. (2d) 515, and to recover the amount of his expenses actually incurred in connection with the rendition of said legal services; that said action shall be commenced within one year from the effective date of this Resolution, and that no plea of limitation shall be interposed if commenced within that time;

Section 2. That said action shall be for a total sum not in excess of $6,100.00;

Section 3. That the Attorney General of the Commonwealth of Kentucky may investigate the claim and settle it before or after suit is filed if he deems it advisable;

Section 4. That any amount recovered in this action, either by settlement or judgment, shall be paid by check drawn against the Commonwealth of Kentucky, General Fund, Department of Revenue, Operating Fund, in the State Treasury upon warrant drawn by the Commissioner of Finance upon the State Treasurer;

Section 5. That final judgment in the action may be appealed by either party to the Court of Appeals in the manner provided in the Rules of Civil Procedure; and

Section 6. That no statement in this Resolution shall be considered as evidence by the Court entertaining the action.

SR 40, A JOINT RESOLUTION authorizing civil action against the Commonwealth of Kentucky and the Department of Highways, or either, in the interest of Charles C. Gross.

WHEREAS, it appears by affidavit that from August 1, 1949 to December 29, 1951, Charles C. Gross of Helton, Leslie County, Kentucky was employed by the Department of Highways of the Commonwealth of Kentucky in the capacity of a weighman, for which labor he received only the sum of $5,166.25, when he should have received the sum of $6,406.15, leaving a balance due him of $1,239.90 for said period; and

WHEREAS, it further appearing by affidavit that Charles C. Gross was employed by the Department of Highways of the Commonwealth of Kentucky in the capacity of weighman from January 3, 1952 to April 10, 1953, for which labor he received the sum of $2,930.75, when he should have received the sum of $4,781.74, leaving a balance due him of $1,851.00 for such period, a total sum due Charles C. Gross of $3,090.90;

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That Charles C. Gross is authorized to sue the Commonwealth of Kentucky and the Department of Highways, or either of them, in the Leslie Circuit Court, the circuit court having jurisdiction of such action.

Section 2. That such action shall be for a sum not in excess of $3,090.90 and shall be commenced within one year from the effective date of this Resolution, and that no plea of limitation shall be interposed if commenced within that time.

Section 3. That the Attorney General of the Commonwealth of Kentucky may investigate the claim and settle same before or after suit is filed if he deems it advisable.

Section 4. That any amount recovered in this action, either by settlement or judgment, shall be paid out of the State Road Fund in the State Treasury upon warrant drawn by the Commissioner of Finance upon the State Treasurer.

Section 5. That final judgment in the action may be appealed by either party to the Court of Appeals in the manner provided in the Rules of Civil Procedure.

Section 6. That no statement in this resolution shall be considered by either the court or jury as an admission of negligence upon the part of the Commonwealth, and this resolution shall not be introduced as evidence, nor commented upon by counsel in presence of the jury.

SR 43, A JOINT RESOLUTION designating Joseph William Wells as poet laureate of Kentucky.

WHEREAS, Joseph William Wells has served his county notably during his tenure as county judge;

WHEREAS, as a teacher in the public school system of his own and other counties he has distinguished himself as a moral and educational leader of youth, both by precept and example;

WHEREAS, he has in his wide business dealings earned a reputation for integrity and fair dealing;

WHEREAS, as an author, his works have attained widespread recognition in this and other states; and

WHEREAS, his poetry especially has charmed readers from coast to coast, and endeared him to all ages and classes of people by virtue of his common touch, sympathetic understanding and love of beauty of language;

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

That Joseph William Wells be, and he hereby is, designated as poet laureate of the Commonwealth of Kentucky.

SR 50, A JOINT RESOLUTION providing for an investigation and study, by the Legislative Research Commission in cooperation with the Kentucky Bankers Association, the American Bankers Association, and interested state agencies, of the Model State Banking Code prepared by the American Bankers Association, with particular reference to its effect on existing Kentucky law.

WHEREAS, the proposed Model State Banking Code, as promulgated by the American Bankers Association, is a comprehensive revision and modernization of the field of banking law; and

WHEREAS, several states are studying the effects on their existing banking law the Model State Banking Code would have if enacted, and the desirability of enacting the Code into law; and

WHEREAS, an opportunity should be given to interested groups and citizens as well as to members of the banking community to express their opinions, either in support of or in opposition to the Model State Banking Code;

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is authorized and directed to make an investigation and study of the proposed Model State Banking Code, to determine its effect on existing Kentucky law, and to collect such information concerning the Code as will enable the General Assembly to be advised fully of the factors bearing on the advisability and desirability of enacting the Code into law.

Section 2. That for the purposes of this study the Legislative Research Commission is authorized to create an advisory committee, whose members shall be composed of bankers, representatives of other interested groups, and public-minded citizens, to advise and give counsel to the Legislative Research Commission.

Section 3. That the Legislative Research Commission is authorized to cooperate with the Kentucky Bankers Association and the American Bankers Association.

Section 4. That the Department of Banking, the Department of Finance, the State Treasurer, and such other state agencies as the Legislative Research Commisison may designate, are directed to cooperate to the fullest extent with the Legislative Research Commission in the preparation of the report.

Section 5. That the Legislative Research Commission shall include its findings in a report to the General Assembly of the Commonwealth of Kentucky, such report to be submitted to the 1960 Regular Session.

Section 6. That there is appropriated to the Legislative Research Commission out of the General Expenditure Fund in the State Treasury, the sum of $5,000 for the 1958-1960 biennium, to carry out the purposes of this Joint Resolution.

SR 51, A JOINT RESOLUTION authorizing and directing the Legislative Research Commission to make a study of the desirability and feasibility of adopting a Uniform Title Law for motor vehicles.

WHEREAS, the number of motor vehicles and the extent of their operation on the public roads and highways of the Commonwealth are greatly increasing; and

WHEREAS, it appears that many automobile buyers are suffering losses resulting from defective titles and undisclosed liens; and

WHEREAS, it appears that improved enforcement aids are needed to solve the problems incident to traffic in stolen cars.

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is authorized and directed to conduct a comprehensive study to determine the desirability and feasibility of altering the form, scope, operation, and administration of existing laws governing motor vehicle titles and related records.

Section 2. That the Legislative Research Commission, in conducting said study, is authorized to utilize the advice and assistance of the Department of Revenue, Department of Public Safety, County Clerks Association, Kentucky Automobile Dealers Association, Kentucky Bankers Association, Kentucky Peace Officers Association, and any other organization or agency with an appropriate interest or concern.

Section 3. That the results of the study, including findings and recommendations, be made the subject of a report to be submitted to the 1960 Regular Session of the General Assembly.

Section 4. That the sum of $10,000 is appropriated to the Legislative Research Commission out of the General Fund for the purposes of this resolution. This sum shall not lapse at the end of the 1958-59 fiscal year but shall be carried over into the 1959-1960 fiscal year.

SR 52, A JOINT RESOLUTION authorizing and directing the Legislative Research Commission to make a study of the advisability and feasibility of extending personnel merit system coverage to include the employees of all state agencies.

WHEREAS, existing laws providing merit system coverage for personnel of certain departments and agencies are designed to promote economy and efficiency in government; and

WHEREAS, it appears that extension of coverage to other agencies would operate to promote still greater economy and efficiency in government; and

WHEREAS, numerous measures on this subject with wide variation in effect have been introduced in the House of Representatives and Senate during this session.

NOW, THEREFORE,

Be it Resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is authorized and directed to make a study of the existing laws relating to personnel merit system coverage, and the desirability and feasibility of extending said coverage to include other state departments, boards, commissions, and agencies, including the Department of Highways.

Section 2. That each department, board, commission, and agency of the state government is directed to extend to the Legislative Research Commission its full cooperation and make available all pertinent files, records and information.

Section 3. That the results of the study, including findings and recommendations, be made the subject of a report to be submitted to the 1960 Regular Session of the General Assembly.

Section 4. That the sum of $10,000 is appropriated to the Legislative Research Commission out of the General Fund for the purposes of this resolution. This sum shall not lapse at the end of the 1958-1959 fiscal year but shall be carried over into the 1959-1960 fiscal year.

SR 58, A RESOLUTION memorializing Congress to lower optional and mandatory retirement age and age at which old age assistance commences.

WHEREAS, it appears that unemployment is on the increase in the United States;

WHEREAS, this situation appears to be the result of a general business decline and not of a temporary seasonal nature;

WHEREAS, the establishment of optional and mandatory retirement ages lower than the ages generally regarded by industry as retirement age and the initiation of old age assistance payments at an earlier age would be a means of reducing unemployment; and

WHEREAS, earlier retirement and commencement of old age assistance benefits would enable many people to enjoy the luxury of spending a few more years in leisure.

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky:

Section 1. That the Congress of the United States is urged to enact legislation setting optional mandatory retirement ages at sixty and sixty-five for men and fifty-five and sixty for women.

Section 2. That the Congress is further urged to enact legislation amending the present old age assistance laws to provide that such assistance be available at age sixty for men and age fifty-five for women.

Section 3. That the Clerk of the Senate cause copies of this resolution to be sent to the President of the United States Senate, the Speaker of the United States House of Representatives and to each Representative in the Congress from Kentucky.

SR 61, A JOINT RESOLUTION authorizing reimbursement to Homer A. Spillman for funds expended by him for food and maintenance of prisoners assigned as a maintenance detail under his direct supervision, and making an appropriation therefor.

WHEREAS, it appears that Homer A. Spillman was during the period of October 1, 1957 to February 1, 1958, a duly appointed and acting employee of the Department of Public Safety; and

WHEREAS, it appears that said Homer A. Spillman paid out the amount of $797.80 on behalf of the said prisoners in the months indicated; and

WHEREAS, the said Homer A. Spillman made a properly verified claim for said expenses to the Department of Finance on the Commonwealth of Kentucky in the aforesaid amount, which is the total amount expended by said Homer A. Spillman on behalf of said prisoners during the months indicated, which claim the Department of Finance, upon the advice of the Attorney General, disclaimed because it lacked legal ability to approve for payment said claim notwithstanding the merits involved.

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

That Homer A. Spillman has a legal and proper claim against the Commonwealth of Kentucky in the amount of $797.80 for money expended on behalf of the Commonwealth for food and maintenance of prisoners employed under his supervision and in his custody on state property during the period of October 1, 1957 to February 1, 1958, both dates inclusive.

Section 2. The Commissioner of Finance is authorized and directed to draw a warrant against funds, standing to the credit of the Department of Public Safety, in favor of Homer A. Spillman, upon passage of this bill, in the amount aforesaid and transmit same to the State Treasurer, who is authorized and directed to issue a check in favor of said Homer A. Spillman in the amount of $797.80.

SR 63, A RESOLUTION calling for a study of coal resources and use.

WHEREAS, the coal industry is one of the most important economic factors in the business structure of Kentucky;

WHEREAS, much coal is shipped out of Kentucky to the north and east to make coke and other products, many of which are shipped back to Kentucky, resulting in round trip shipping costs to the detriment of Kentucky;

WHEREAS, coal and its by-products can be used in this state in many ways not now utilized;

WHEREAS, small factories and manufacturing plants can be placed in or adjacent to the coal fields, resulting in a saving to both the manufacturing and mining industries because of reduction in cost of transportation to both;

WHEREAS, the many by-products of coal can of themselves create new industries;

WHEREAS, the labor supply is ample in all the coal fields, and will be enlarged by retaining great numbers of those now leaving Kentucky for more lucrative employment;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

That the Department of Economic Development be requested to make all studies possible of the many uses of coal and coal products and make every effort to attract factories and manufacturing industries to locate in the coal fields, and to properly utilize the great advantages inherent in such location.

SR 68, RESOLUTION authorizing the personal representative of the estate of Harriet Rodman Roche to sue the Department of Highways of the Commonwealth of Kentucky and the Commonwealth of Kentucky, or either of them.

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the personal representative of the estate of Harriet Rodman Roche be and she is hereby authorized, permitted and empowered to sue the Commonwealth of Kentucky and the Department of Highways thereof, either or both of them in the Rowan Circuit Court, for such amount for wrongful death as will represent the damages to the estate of Harriet Rodman Roche, deceased.

Section 2. The said suit shall be for an amount not exceeding $30,000.00.

Section 3. That the action herein authorized and permitted may be brought in the Rowan Circuit Court, same being the Circuit Court having jurisdiction in Rowan County, Kentucky, the county in which the accident occurred resulting in the death of Harriet Rodman Roche.

Section 4. That any party to said action may appeal from any judgment which may be entered by the Rowan Circuit Court to the Court of Appeals of Kentucky, as in any other civil action, and this action may be investigated and settled by and with the consent and approval of the Attorney General of Kentucky in the same way as any other civil action might be settled or adjusted. If recovery is had in favor of the claimant either by suit or compromise, the amount so awarded or compromised shall be paid out of the State Road Fund upon warrant drawn by the Commissioner of Finance upon the State Treasurer.

Section 5. No statement in this resolution shall be considered by either the Court or the jury as an admission of negligence upon the part of the Commonwealth of Kentucky and the Department of Highways, or either of them, and this resolution shall not be introduced as evidence nor commented upon by counsel in the argument of the case to the jury.

SR 69, RESOLUTION authorizing Gerald J. Roche to sue the Department of Highways of the Commonwealth of Kentucky and the Commonwealth of Kentucky or either of them.

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That Gerald J. Roche be, and he is hereby authorized, permitted and empowered to sue the Commonwealth of Kentucky and the Department of Highways thereof, either or both of them, in the Rowan Circuit Court for personal injuries and medical expenses sustained by him.

Section 2. The said suit shall be for an amount not exceeding $5,000.00.

Section 3. That the action herein authorized and permitted may be brought in the Rowan Circuit Court, same being the circuit court having jurisdiction in Rowan County, Kentucky, the county in which the accident occurred resulting in injuries and damages to Gerald J. Roche.

Section 4. That any party to said action may appeal from any judgment which may be entered by the Rowan Circuit Court to the Court of Appeals of Kentucky, as in any other civil action and this action may be investigated and settled by and with the consent and approval of the Attorney General of Kentucky in the same way as any other civil action might be settled or adjusted. If recovery is had in favor of the claimant either by suit or compromise, the amount so awarded or compromised, shall be paid out of the State Road Fund upon warrant drawn by the Commissioner of Finance upon the State Treasurer.

Section 5. No statement in this resolution shall be considered by either the Court or the jury as an admission of negligence upon the part of the Commonwealth of Kentucky and the Department of Highways, or either of them, and this resolution shall not be introduced as evidence nor commented upon by counsel in the argument of the case to the jury.

SR 45, A CONCURRENT RESOLUTION recognizing the vast amount of work already done by the many hundreds of Civil Defense volunteer workers and the Kentucky Civil Defense in the Commonwealth and many problems yet to be solved; and urging the citizens to continue their support of state and local Civil Defense units.

WHEREAS, the Governor of Kentucky, Albert B. Chandler, has seen fit to reactivate the Civil Defense Advisory Council because of the continuing threat of attack by a foreign nation;

WHEREAS, the citizens of Kentucky should also be prepared in the event of a natural disaster which would require the services of Civil Defense;

WHEREAS, many hundreds of volunteer workers throughout the

Commonwealth have been giving their time and services to the formation of Civil Defense;

WHEREAS, the Kentucky Civil Defense has secured $2,500,000 from the Federal Government for the relief of flood damaged areas in Eastern Kentucky during the past twelve months;

WHEREAS, hundreds of thousands of dollars worth of medical and radiological equipment has been provided for the Civil Defense units in Kentucky from United States Government at no cost to the citizens of the Commonwealth; and,

WHEREAS, many problems of protecting our towns, cities and citizens still exist and need to be solved;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That the General Assembly has taken note of the vast amount of excellent work already performed by the Civil Defense volunteer workers of Kentucky and of the efficient job of administrating the Civil Defense program of Kentucky by the Kentucky Civil Defense office and its Administrator, Brigadier General Jesse S. Lindsay; that the General Assembly appreciates the duties already performed by these civic-minded citizens and General Lindsay; that the General Assembly realizes that the threat of enemy attack remains on the horizon and that natural disaster is an ever-present possibility and that many problems still exist for the Civil Defense program and that for all these reasons the General Assembly urges the citizens of the Commonwealth to continue their support of state and local Civil Defense units.

SR 79, A CONCURRENT RESOLUTION directing the Legislative Research Commission to study the obligations of airlines to the Commonwealth of Kentucky.

WHEREAS, the Commonwealth of Kentucky is faced with the problems of aviation-growth demands; and

WHEREAS, the location of air service in communities has resulted in the growth of industry in areas accessible to such service; and

WHEREAS, the best interests of the people of this Commonwealth require the development of air service to all areas of the state;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Legislative Research Commission is hereby authorized and directed to make a study of the obligations of airlines to the Commonwealth of Kentucky and to public airports under existing law and inquire into the manner in which airlines are meeting these obligations, and further make recommendations to guide the General Assembly in any future course of action to be taken.

Section 2. That the Chairman of the Legislative Research Commission be and is hereby authorized to appoint a committee to advise the Legislative Research Commission with respect to such study and the making of recommendations as a result thereof.

Section 3. That the advisory committee be composed of one member of the Senate, one member of the House of Representatives, one representative of the airlines, one official from the Department of Revenue, one official from the Department of Aeronautics and two private citizens.

Section 4. That the members from the Senate and the House of Representatives and the two private citizens receive a per diem of thirty-five dollars each, in addition to actual expenses incurred in the performance of the services hereby delegated.

Section 5. That the members from the airline industry, and Departments of Revenue and Aeronautics receive actual expenses incurred in the performance of the duties hereby delegated.

Sction 6. That the Department of Aeronautics is hereby directed to extend to the Legislative Research Commission its full and complete cooperation by supplying any required records, statistics, materials, and reports and in any other particular in which the study may be implemented.

Section 7. That the results of the study be made the subject of a report to be submitted to the General Assembly not later than the 1960 regular session.

Section 8. There is hereby appropriated for the purposes of this Resolution, out of the General Fund, the sum of $2,000 for the fiscal year 1958-1959.

SR 89, A CONCURRENT RESOLUTION directing the erection of a marker at the site of the Floyd County school bus disaster.

WHEREAS, on the 28th day of February, 1958, there occurred in Floyd County, near Prestonsburg, a school bus accident which resulted in the death of twenty-six school children and the driver of the school bus;

WHEREAS, this accident was the most appalling school bus disaster in the history of school transportation in the nation; and

WHEREAS, the death of these young people has caused a great loss in present and potential leadership in the community and the state, and inconsolable grief and suffering to the bereaved families;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That the Department of Highways is requested and directed to erect an appropriate monument displaying a bronze marker or plaque at the site of the disaster, to be a permanent memorial to the promising young citizens who lost their lives, and that the marker or plaque contain the date of the disaster, with the names and ages of the persons who perished.

That such marker shall be maintained and preserved in the same manner as other historical memorials in the Commonwealth.

Orders of the Day

SB 103 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read at length and placed on passage. Agreed. **SB 103** read to the House by the Clerk.

On roll call, the vote was: Yeas, 78—Arnold, Bach, Barton, Baumgardner, Billington, Breckinridge, Brown, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Finney, Ford, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, H. N. Johnson, Kincer, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Peace, Ratcliffe, Rausch, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Ed Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch; Nays, 0.

SB 103 was passed and the title agreed to.

Representative Everett moved that **SB 343** be taken from Orders of the Day, read for the third time and placed on passage. Agreed.

Representative Lowman moved that Representative Everett's motion be tabled. Mr. Lowman then withdrew his motion.

Representative Fitzpatrick moved the Previous Question on **SB 343.**

Representative Lowman moved to table the motion made by Mr. Fitzpatrick.

On roll call to table the motion on the Previous Question, the vote was: Yeas, 43—Arnold, Barton, Baumgardner, Breckinridge, Burke, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Farmer, Ford, Greene, Hahn, Haley, Hall, Hinkle, Hislope, Hopkins, Howard, Huddleston, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne,

R. Reynolds, Searcy, Steiger, Tanner, Walsh, Wathen, Wells, Williams, Young; Nays, 45—Bach, Bartley, Billington, Buchanan, Buckner, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Cottengim, W. F. Davis, Duff, Everett, Fields, Finney, Fitzpatrick, Gullette, Hale, Hart, Henry, Hodges, H. Nick Johnson, Kincer, Kubale, Lovelace, McReynolds, Newberry, Peace, Ratcliffe, Rayburn, Reed, Render, C. R. Reynolds, Richards, Sowards, Stith, Ed Thomas, S. R. Thomas, Willen, Wilson, Wirsch.

Motion rejected.

The Clerk was then asked to call the roll for the vote on the Previous Question, and the House voted: Yeas, 50—Anderson, Bach, Bartley, Billington, Buchanan, Buckner, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Cottengim, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Gullette, Hale, Hart, Henry, Hodges, H. N. Johnson, Kincer, Kubale, Lovelace, McReynolds, Newberry, Peace, Qualls, Ratcliffe, Rayburn, Reed, Render, C. R. Reynolds, Richards, Sowards, Stith, Tinsley, Ed Thomas, S. R. Thomas, Weintraub, Willen, Wilson, Wirsch; Nays, 43—Arnold, Barton, Baumgardner, Breckinridge, Brown, Burke, Bill Cornett, Paul Cornett, Crecelius, P. F. Davis, Farmer, Ford, Greene, Hahn, Haley, Hall, Hinkle, Hislope, Hopkins, Huddleston, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne, R. Reynolds, Searcy, Smith, Steiger, Tanner, Walsh, Wathen, Wells, Williams, Young.

Rejected.

Representative Fitzpatrick moved that the House recess for twenty minutes. Rejected by voice vote.

Representative Huddleston presented the following amendment to **SB 343:**

Amendment No. 1:

Amend printed copy of **SB 343** on page 3, after section 3, add section 4, as follows:

An emergency is declared to exist, and this act shall take effect upon its passage and approval by the Governor.

Representative Huddleston then moved to table the amendment. On roll call to table the amendment, the vote was: Yeas, 45—Arnold, Barton, Baumgardner, Breckinridge, Brown, Burke, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Farmer, Ford, Greene, Hahn, Haley, Hall, Hinkle, Hislope, Hopkins, Howard, Huddleston, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne, R. Reynolds, Searcy, Smith, Steiger, Tanner, Walsh, Wathen, Wells, Williams, Young; Nays, 47—Anderson, Bach, Bartley, Billington, Buchanan, Buckner, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Cottengim, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Gullette, Hale, Hart, Henry, Hodges, H. N. Johnson, Kincer, Kubale, Lovelace, McReynolds, Newberry, Peace, Ratcliffe, Rayburn, Reed, C. R. Reynolds, Richards, Render, Sowards, Stith, E. Thomas, S. R. Thomas, Willen, Wilson, Wirsch, Weintraub.

Rejected.

On demand of the House, a roll call was then taken on adoption of the amendment. The vote was: Yeas, 45—Arnold, Barton, Baumgardner, Breckinridge, Brown, Burke, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Farmer, Ford, Greene, Hahn, Haley, Hall, Hinkle, Hislope, Hopkins, Howard, Huddleston, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne, R. Reynolds, Searcy, Smith, Steiger, Tanner, Walsh, Wathen, Wells, Williams, Young; Nays, 48—Anderson, Bach, Bartley, Billington, Buckner, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Cottengim, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Gullette, Hale, Hart, Henry, Hodges, H. Nick Johnson, Kincer, Kubale, Lovelace, McReynolds, Newberry, Peace, Qualls, Ratcliffe, Rayburn, Reed, Render, Carl Reynolds, Richards, Sowards, Stith, Ed Thomas, S. R. Thomas, Willen, Wilson, Wirsch, Weintraub.

Rejected.

Mrs. Ann Butcher Hall offered the following amendment to **SB 343:**

Amendment No. 2:

Amend printed copy of **SB 343** on page 3, following line 29 by adding thereto section 4 to read as follows:

"Section 4. This Act shall become effective July 1, 2458. 500 years hence."

Representative Searcy moved to table Amendment No. 2. On roll call, the vote was: Yeas, 42—Arnold, Barton, Baumgardner, Breckinridge, Brown, Burke, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Farmer, Ford, Greene, Hahn, Haley, Hall, Hislope, Hopkins, Huddleston, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne, R. Reynolds, Searcy, Smith, Steiger, Tanner, Walsh, Wathen, Wells, Williams, Young; Nays, 47—Anderson, Bach, Bartley, Billington, Buckner, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Cottengim, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Gullette, Hale, Hart, Henry, Hodges, Howard, H. N. Johnson, Kincer, Kubale, Lovelace, McReynolds, Newberry, Peace, Ratcliffe, Rayburn, Reed, Render, C. R. Reynolds, Richards, Sowards, Stith, E. Thomas, S. R. Thomas, Willen, Wilson, Wirsch.

Rejected.

Representative Lowman moved that the House adjourn. The Speaker pointed out that Mr. Lowman did not state the time the House would reconvene. On demand of the House, however, a roll call was taken on Mr. Lowman's motion and the vote was: Yeas, 36—Arnold, Barton, Baumgardner, Breckinridge, Brown, Burke, Bill Cornett, Crecelius, P. F. Davis, Ford, Greene, Hall, Hinkle, Hislope, Hopkins, Huddleston, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Ockerman, Parrish, Ray, Raybourne, R. Reynolds, Searcy, Steiger, Tanner, Walsh, Wathen, Wells, Williams, Young; Nays, 49—Anderson, Bach, Bartley, Billington, Buckner, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Cottengim, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Gullette, Hahn, Hale, Hart, Henry, Hodges, Howard, H. Nick Johnson, Kincer, Kubale, Lovelace, Newberry, Peace, Qualls, Ratcliffe, Rayburn, Reed, Render, Carl Reynolds, Richards, Smith, Sowards, Stith, Ed Thomas, S. R. Thomas, Willen, Wilson, Wirsch.

Motion rejected.

Representative Fitzpatrick moved the Previous Question on **SB 343.** The Speaker ruled Mr. Fitzpatrick out of order.

Representative Breckinridge moved that consideration of **SB 343** be made a Special Order for 8:00 p.m., March 19. Motion ruled out of order.

Representative Lowman moved for a recess of forty-five minutes for lunch. A roll call was taken and the vote was: Yeas, 42—Arnold, Barton, Baumgardner, Breckinridge, Brown, Burke, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Farmer, Ford, Greene, Haley, Hall, Hinkle, Hislope, Hopkins, Huddleston, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne, R. Reynolds, Searcy, Steiger, Tanner, Walsh, Wathen, Wells, Williams, Young; Nays, 50—Anderson, Bach, Bartley, Billington, Buchanan, Buckner, Burress, Bush, Casey, Chaudoin, Clore, Combs, E. E. Cook, Cottengim, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Gullette, Hahn, Hale, Hart, Henry, Hodges, Howard, Isler, Kincer, Kubale, Lovelace, McReynolds, Newberry, Qualls, Ratcliffe, Rayburn, Reed, Render, C. R. Reynolds, Richards, Smith, Sowards, Stith, E. Thomas, S. R. Thomas, Whitehead, Willen, Wilson, Wirsch.

Rejected.

Representative Fitzpatrick moved the Previous Question on **SB 343** and the amendment still before the House. On roll call on the Previous Question, the vote was: Yeas, 53—Anderson, Bach, Bartley, Billington, Buchanan, Buckner, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Cottengim, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Gullette, Hale, Hart, Henry, Hodges, Howard, Isler, H. N. Johnson, Kincer, Kubale, Lovelace, McReynolds, Newberry, Peace, Qualls, Ratcliffe, Rayburn, Reed, Render, C. R. Reynolds, Richards, Smith, Sowards, Stith, Ed Thomas S. R. Thomas, Weintraub, Whitehead, Willen, Wilson, Wirsch; Nays, 42—Arnold, Barton, Baumgardner, Breckinridge, Brown, Burke, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Farmer, Ford, Greene, Hahn, Haley, Hall, Hinkle, Hislope, Hopkins, Huddleston, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne, R. Reynolds, Searcy, Steiger, Tanner, Walsh, Wathen, Wells, Williams, Young.

Motion on Previous Question adopted.

The Speaker then asked the will of the House on Amendment No. 2, which was on the Clerk's desk prior to the vote on the Previous Question. A roll call was demanded and the vote on adoption of the amendment was: Yeas, 36—Arnold, Baumgardner, Breckinridge, Brown, Burke, Bill Cornett, Crecelius, Ford, Greene, Haley, Hall, Hinkle, Hislope, Hopkins, Huddleston, Kingsbury, Lowman, McCallum, McGuire, Mackey, Moore, Ockerman, Parrish, Rausch, Ray, Raybourne, R. Reynolds, Searcy, Smith, Steiger, Tanner, Walsh, Wathen, Wells, Williams, Young; Nays, 42—Anderson, Bach, Bartley, Billington, Buckner, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Cottengim, W. F. Davis, Duff, Everett, Fields, Finney, Fitzpatrick, Gullette, Hale, Hart, Henry, Hodges, Howard, Lovelace, McReynolds, Newberry, Peace, Qualls, Ratcliffe, Rayburn, Reed, Render, Carl Reynolds, Richards, Stith, Ed Thomas, Willen, Wilson, Wirsch.

Rejected.

The Speaker vacated the Chair and asked Representative Fitzpatrick to preside, while the House was at ease.

The Speaker resumed the Chair.

Representative Huddleston moved that **SB 343** be tabled. On roll call, the vote was: Yeas, 45—Arnold, Barton, Baumgardner, Breckinridge, Brown, Burke, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Farmer, Ford, Greene, Hahn, Haley, Hall, Hinkle, Hislope, Hopkins, Howard, Huddleston, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne, R. Reynolds, Searcy, Smith, Steiger, Tanner, Walsh, Wathen, Wells, Williams, Young; Nays, 46—Anderson, Bach, Bartley, Billington, Buchanan, Buckner, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Cottengim, W. F. Davis, Dempsey, Everett, Fields, Finney, Fitzpatrick, Gullette, Hale, Hart, Henry, Hodges, Kincer, Kubale, Lovelace, McReynolds, Newberry, Qualls, Ratcliffe, Rayburn, Reed, Render, C. R. Reynolds, Richards, Sowards, Stith, E. Thomas, S. Thomas, Willen, Wilson, Wirsch, Weintraub.

Rejected.

On roll call for passage of **SB 343**, the vote was: Yeas, 15—Bach, Billington, Buckner, Clore, Combs, Finney, Gullette, Hodges, H. N. Johnson, Lovelace, Rayburn, Reed, Richards, Sowards, E. Thomas; Nays, 75—Anderson, Arnold, Bartley, Barton, Baumgardner, Breckinridge, Brown, Buchanan, Burke, Burress, Bush, Casey, Chaudoin, Coffey, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Fields, Fitzpatrick, Ford, Greene, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hopkins, Howard, Huddleston, Kincer, Kingsbury, Kubale, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Qualls, Rausch, Ray, Raybourne, Render, C. R. Reynolds, R. Reynolds, Searcy, Smith, Steiger, Stith, Tanner, S. R. Thomas, Walsh, Wathen, Wells, Willen, Williams, Wirsch, Young.

SB 343 was defeated.

Senate Message

Senate message announcing passage of **SB 328, SB 342, SB 355, SB 350, SB 298, SB 250, SB 344, SB 268, SB 313, SB 296, SR 84, HB 298, HB 174, HB 550.**

Recess

Representative Everett moved that the House recess until 7:00 p.m. Motion was not seconded, and Mr. Everett withdrew the motion.

Orders of the Day

Representative Huddleston moved that the vote by which **SB 343** was defeated be reconsidered and that the motion be laid on the table.

On roll call, the vote was: Yeas, 46—Arnold, Barton, Baumgardner, Breckinridge, Brown, Burke, Burress, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, Farmer, Ford, Greene, Hahn, Haley, Hall, Hinkle, Hislope, Hopkins, Howard, Huddleston, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne, R. Reynolds, Searcy, Smith, Steiger, Tanner, Walsh, Wathen, Wells, Williams, Young; Nays, 30—Bach, Bartley, Buchanan, Buckner, Casey, Chaudoin, Clore, Coffey, Combs, W. F. Davis, Duff, Everett, Finney, Fitzpatrick, Gullette, Hale, Hart, Henry, Hodges, Kubale, Newberry, Rayburn, Render, C. R. Reynolds, Richards, Sowards, Stith, E. Thomas, Willen, Wirsch.

Motion adopted.

Announcements

The Speaker announced the appointment of the following members of the House to serve on the Committee to investigate bribes of House members, in compliance with **HR 127:**

Representative Burke
Representative Burress
Representative Chaudoin
Representative Everett
Representative Howard
Representative Mackey
Representative Richards

The Speaker announced a meeting of the Rules Committee at 7:30 p.m.

Recess

Representative Everett moved that the House recess until 8:00 p.m. Agreed. At the appointed hour the Speaker resumed the Chair.

Report of the Rules Committee

The Rules Committee reported **SB 250, SB 268, SB 296, SB 298, SB 313, SB 328, SB 342, SB 344, SB 350, SB 355, SR 84** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 250, AN ACT relating to compensation of local officers and employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 64.620 of the Kentucky Revised Statutes is amended to read as follows:

With the exception of the office of mayor of any city of the first class, the compensation of any officer or employe of a county, city, political subdivision, local governmental unit or district, or of any city or county board or commission, or combined city-county board or commission, for services rendered in one or more offices or positions of employment, shall not exceed the constitutional limit for officers, which is $7,200 per annum, provided, however, that nothing herein contained shall apply to any officer or employe exclusively engaged in performance of a proprietary function for any of such governmental units.

SB 268, AN ACT relating to additional income tax credits for incapacitated persons.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 141.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) With respect to taxable years beginning after December 31, 1957, an annual tax, consisting of a normal tax and surtax, shall be

paid for each taxable year by every resident individual of this state, upon his entire net income as defined in this chapter. Normal tax shall be determined by applying the rates in subsection (2) to net income and subtracting allowable tax credits provided in subsection (3). Surtax shall be determined according to the rates in subsection (4). The annual tax due shall be the sum of the normal tax and the surtax.

(2) The following rates shall be applied to net income:

(a) Two percent of the amount of net income not exceeding three thousand dollars;

(b) Three percent of the amount of net income in excess of three thousand dollars but not in excess of four thousand dollars;

(c) Four percent of the amount of net income in excess of four thousand dollars but not in excess of five thousand dollars;

(d) Five percent of the amount of net income in excess of five thousand dollars but not in excess of eight thousand dollars.

(e) Six percent of the amount of net income in excess of eight thousand dollars.

(3) The following tax credits, when applicable, shall be deducted from the result obtained under subsection (2) to arrive at normal tax.

(a) Thirteen dollars for an unmarried individual.

(b) Thirteen dollars for a married individual filing a separate return and an additional twelve dollars for the spouse of tax payer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer; or twenty-six dollars for married persons filing a joint return, provided neither spouse is the dependent of another taxpayer. The determination of marital status for the purpose of this section shall be made in the manner prescribed in Section 153 of the Internal Revenue Code.

(c) Thirteen dollars credit for each dependent whose gross income for the calendar year in which the taxable year of the taxpayer begins is less than six hundred dollars, or who is a child, as defined in Section 151 (e) (3) of the Internal Revenue Code, of the taxpayer and who (i) has not attained the age of 19 at the close of the calendar year in which the taxable year of the taxpayer begins, or (ii) is a student. No exemption shall be allowed for any dependent who has made a joint return with his spouse.

(d) An additional thirteen dollars credit if the taxpayer has attained the age of sixty-five before the close of the taxable year.

(e) An additional thirteen dollars credit for taxpayer's spouse if a separate return is made by the taxpayer and if the taxpayer's spouse has attained the age of sixty-five before the close of the taxable year, and, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(f) An additional thirteen dollars credit if the taxpayer is blind or if the taxpayer has been incapacitated by the ravages of poliomyelitis, cerebral palsy, muscular dystrophy or similar crippling conditions at the close of the taxable year.

(g) An additional thirteen dollars credit for taxpayer's spouse if a separate return is made by the taxpayer and if the taxpayer's spouse is blind and, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(h) In the case of nonresidents, the tax credits allowable under this subsection shall be that proportion of those permitted therein that is represented by the ratio of the taxpayer's net income in this state to his total net income from all sources; or, if the taxpayer elects to pay the tax under KRS 141.025, as represented by the ratio of the taxpayer's adjusted gross income in this state to his total adjusted gross income.

(i) In the case of a fiduciary, other than an estate, the allowable tax credit shall be two dollars.

(j) In the case of an estate, the allowable tax credit shall be thirteen dollars.

(4) The following rates shall be applied to the normal tax to determine the surtax:

(a) Ten percent of the amount of normal tax not in excess of twenty-five dollars;

(b) Twenty percent of the amount of normal tax in excess of twenty-five dollars but not in excess of one hundred dollars;

(c) Thirty percent of the amount of normal tax in excess of one hundred dollars.

(5) An annual tax shall be paid for each taxable year as specified in this section upon the entire net income, except as herein provided, from all tangible property located in this state, from all intangible property that has acquired a business situs in this state, and from business, trade, profession, occupation or other activities carried on in this state, by natural persons not residents of this state. A nonresident individual shall be taxable only upon the amount of income received by him from labor performed, business done or from other activities in this state, from tangible property located in this state, and from intangible property that has acquired a business situs within this state. The remainder of the income received by him shall be deemed nontaxable by this state.

(6) Subject to the provisions of KRS 141.081 and KRS 141.082, any individual may elect to pay the annual tax imposed by KRS 141.025 in lieu of the tax levied under this section.

SB 296, AN ACT proposing an amendment to the Constitution of Kentucky relating to the issuance and sale of state bonds to provide for the payment of a bonus to veterans.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Constitution of the Commonwealth of Kentucky is hereby proposed to be amended by the ratification of a new section, to read as follows:

The General Assembly shall by law provide for the issuance and sale of bonds of the Commonwealth, notwithstanding the limitation of indebtedness in Section 49 or any other section of the Constitution of Kentucky, which shall be in addition to all other bonds of the Commonwealth heretofore authorized. The proceeds of such additional bonds, or so many thereof as may be necessary for the purpose, shall be used and appropriated solely for the purpose of paying a cash bonus not to exceed $500 for service outside the continental limits of the United States, and $300 for services in the continental United States to the veterans, their widows or heirs, or next of kin, of the Spanish- American War, World War I, World War II, and the Korean Conflict, who were residents of the Commonwealth at the time of their entry into the service and at least six months prior thereto. The General Assembly at the same session authorizing the issuance of the bonds shall levy a tax upon all retail sales at such a rate as will pay the interest upon and retire the bonds in not less than 30 years, provided that retail sales of food and food products, medicines and clothing may be exempted from such tax.

Section 2. In any election the form of the proposal shall be "Are you in favor of the issuance and sale of bonds to pay a bonus to veterans of the Spanish-American War, World War I, World War II, and the Korean Conflict, which bonds shall be paid from the proceeds of a tax levied upon retail sales?"

Section 3. This amendment shall be submitted to the voters of the Commonwealth for their ratification or rejection at the time and in the manner provided for under Section 256 and 257 of the Constitution and under Sections 118.170 and 118.430 of the Kentucky Revised Statutes.

SB 298, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.230 of the Kentucky Revised Statutes is amended to read as follows:

The county clerk shall see that KRS 186.020 to 186.260 in his county are enforced. In so doing he shall:

(1) Take all applications as provided in KRS 186.020 to 186.260 except those in KRS 186.090.

(2) Issue the receipts on blanks furnished by the department.

(3) Collect the fees due the state.

(4) Distribute the registration plates furnished by the department and keep a complete public record of all registrations for his county, in his office.

(5) Report and remit each Monday to the department all moneys collected during the previous week, together with the duplicates of all receipts issued by him during the same period. He shall make all checks payable to the State Treasurer. Upon the failure of a clerk to report and remit for more than fifteen days after the report and remittance are due, he shall pay a penalty of ten percent on the amount of money due in addition. All penalties collected under this provision shall be paid into the State Treasury as a part of the revenue collected under KRS 186.020 to 186.260.

(6) Account to the department for all registration plates and receipt forms consigned to him, at such time or times as the department may direct, and give the department timely notice of a probable deficiency of plates or other supplies.

SB 313, AN ACT relating to soil conservation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 262.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) A district shall constitute a governmental subdivision of the state and a public body corporate and politic, exercising public power.

(2) The governing body of the district shall consist of a board of five supervisors. On organization of a district, the first two supervisors shall be appointed by the committee as provided in KRS 262.150. and three shall be elected under KRS 262.210 and 262.220. The supervisors shall hold no other city, county or state elective office.

(3) The board may sue and be sued in the name of the district; have a seal, which shall be judicially noticed; have perpetual succession unless terminated as provided in KRS 262.530 to 262.560; make and execute contracts and other instruments necessary or convenient to exercise its powers.

(4) The board may request, and the fiscal court may levy, a tax of not more than two cents per acre, or part thereof, on all lands lying within the boundaries of the county, excluding town lots within the incorporated towns and unincorporated villages of the county. The tax shall be collected in the same manner as other county taxes, and shall be credited to the board. The funds so collected shall be expended by the board for the employment of soil conservation aids, and for other purposes directly associated with the program, includ-

ing promotional activities, prize moneys, office equipment and supplies, and incidentals deemed necessary.

SB 328, AN ACT relating to the compensation of sheriffs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Any money due an outgoing sheriff, other than compensation for the collection of taxes, remaining unpaid because of pending litigation shall be paid to the outgoing sheriff at the conclusion of the litigation.

SB 342, AN ACT relating to fiscal management assistance by the State Government to cities of the fourth, fifth and sixth classes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

At the request of the governing body of any city of the fourth, fifth or sixth class, the State Local Finance Officer shall render assistance to such city in the establishment of adequate accounting systems, preparation of budgets and debt control, within the limits of facilities available for this purpose. Any services now rendered by the State Local Finance Officer to counties in establishing and maintaining an efficient and economical control of fiscal affairs may be made available to any such city upon request.

SB 344, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 147.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) The planning commissions of any two or more cities, counties, or city-county areas, the fiscal court of any two or more counties or any one hundred citizens, by signed petition, may apply to the Governor for the establishment of a region for planning purposes and the appointment of a regional planning commission for that region. The Governor shall hold at least one public hearing upon the application, and shall officially proclaim the time and place of the hearing. If the Governor finds that, by reason of urban development not corresponding to existing municipal boundary lines or by reason of other trends in the growth and distribution of population, commerce and industry, or by reason of topographic or other conditions, the region represented by the petitioning body has problems of such nature as to be incapable of intelligent, economical and adequate solution by means of the separate planning of each separate political unit, and requires, for solution, a general plan of the physical development of the entire area of cities or territories as a whole, he shall grant the

application, define the boundaries of the region and appoint a regional planning commission.

(2) The commission shall consist of nine persons who shall be residents of the region. Of the nine first appointed, one shall serve for one year, two for two years, one for three years, two for four years, and one for five years. The other two and all subsequent appointees shall serve for terms of six years. If at the time of his appointment an appointee is a public officer or in the public service of the state or any of its political subdivisions, and his incumbency as such expires previous to the term for which he is appointed on the regional planning commission, his term on the commission shall terminate with the expiration of his incumbency as such public officer or servant unless it is extended by the Governor, in which case the extension shall be for the remainder of the term for which he was originally appointed. The members shall serve without compensation but shall be paid necessary expenses incurred in the performance of their duties. They may, after a public hearing, be removed by the Governor for inefficiency, or malfeasance in office, and he shall file a written statement of his reasons for the removal. A member may also be removed by the Governor upon the petition of the Commission under provisions of Section 8 of this Act.

Section 2. Section 147.140 of the Kentucky Revised Statutes is amended to read as follows:

Except as otherwise provided in KRS 147.130 to 147.180, the provisions of Chapter 100 relative to organization, rules, staff, finances, procedure and powers and duties of planning commissions of cities of the third, fourth, fifth or sixth class shall apply to regional planning commissions. The amount that a regional planning commission may expend in any year shall be determined by the regional planning commission, subject to approval by the Governor, who may, upon recommendation of the Commission of the appropriateness and necessity thereof, fix the proportion of expenditures to be borne by the respective cities, counties and other taxing districts and political subdivisions within the region. The council of each city, the fiscal court of each county and the appropriating body of each taxing district or political subdivision within the region may appropriate their respective shares of the expenditures. The sums so appropriated shall be paid into the State Treasury and shall be paid out on certificate of the regional planning commission.

Section 3. Section 147.150 of the Kentucky Revised Statutes is amended to read as follows:

Any regional planning commission may make, adopt, amend and extend a master regional plan for the physical development of its region. The plan shall be based on comprehensive studies of the present and future development of the region, with due regard to its relation to neighboring regions and the state as a whole, and to neighboring states. The plan, including maps, charts, diagrams, and descriptive matter, shall show the commission's recommendations for the physical development of the region by showing general land use areas to include among other things the general location, extent and character of streets, avenues, boulevards, roads, lanes, alleys, viaducts, parks and public ways, grounds and open spaces, public properties and public utilities that affect the development of the region as a whole or more than one political subdivision of the state within the region. It may also include the general location of forests, agricultural and open development areas for purposes of conservation, food and water supply, sanitary and drainage facilities, or the protection of future urban development; and a zoning plan for the control of the height and area, or bulk, location and use of buildings and premises, and of the density of population. The master plan shall be made with the general purpose of guiding and accomplishing a coordinated, adjusted and harmonious development of the region and of public improvements and utilities that do not begin and terminate within the boundaries, or do not relate exclusively to the development of any single city, and which will, in accordance with the present and future needs of the region and the state, best promote the general welfare and be most efficient and economical.

Section 4. Section 147.160 of the Kentucky Revised Statutes is amended to read as follows:

The regional planning commission, after adopting the regional plan, shall certify copies to the Governor, to the planning commission of each city, county or joint city-county area in the region, and to the legislative body of each city and the fiscal court of each county which do not have planning commissions and which are wholly or partly included in the region, and to other organized taxing districts or political subdivisions wholly or partly included in the region.

Section 5. Section 147.170 of the Kentucky Revised Statutes is amended to read as follows:

The regional plan may be adopted by the planning commission of any city, county or city-county area within the region to which it is certified by the regional planning commission. Adoption shall be in accordance with the procedure specified in Chapter 100 for the adoption of plans by local planning commissions of such areas. When adopted, it shall have the force and effect within the city as is provided by Chapter 100 for plans made and adopted by local planning commissions and shall be deemed an original local plan or an amendment of the local plan. Before adopting any amendment of the local plan that would constitute a departure from the regional plan certified to the local planning commission by the regional planning commission, the local planning commission shall submit the proposed amendment to the regional planning commission, which shall certify to the local commission its approval, disapproval or other opinion concerning the proposed amendment.

Section 6. Section 147.180 of the Kentucky Revised Statutes is amended to read as follows:

After the adoption of the regional plan by the regional planning commission, no street, avenue, boulevard, road, lane, alley, viaduct or any other way, park, public structure or public utility shall be constructed or authorized in nonmunicipal territory within the region until the location, character and extent thereof have been submitted to and approved by the regional planning commission. This prohibition shall not require the approval of the regional planning commission of any subdivision falling within the subdivision jurisdiction of a local planning commission as provided in KRS 100.720, 100.730 and 100.750. In case of disapproval by the regional planning commission, the disapproval may be overruled by the board, commission, body or officer in which or in whom the power to finally determine the location, character and extent is reposed by law. If a board, commission or body has the power, a two-thirds vote of its membership is necessary to overrule disapproval by the regional commission. A statement of the reasons for any overruling shall be spread upon the minutes or records of the board, commission, body or officer.

Section 7. A new section of the Kentucky Revised Statutes is created to read as follows:

As used in KRS 147.130 to 147.180 unless the context requires otherwise:

(1) "Region" means a contiguous area made up of two or more counties or parts of two or more counties.

(2) "Local planning commission" means a city, county or city-county planning commission.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

The Commission shall elect a chairman and create and fill such other offices as it may determine. The term of chairman shall be for one year, with eligibility for re-election. The Commission may regulate the time, place and number of its meetings, but must have at least one regular meeting within each quarter of the calendar year. A member who misses three consecutive quarterly meetings shall be informed in writing of his deficiency. If the deficient member is not present at the following regular meeting, replacement proceedings may be instituted by the Commission which may petition the Governor, by 2/3 vote, for removal of a delinquent member and appointment of a new member to serve for the remainder of the unexpired term. Replacement shall be made in the same manner as an appointment.

SB 350, AN ACT relating to civil actions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 413.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) If an action is commenced in due time and in good faith in any court of this state and the defendants or any of them make defense, and it is adjudged that the court has no jurisdiction of the action, the plaintiff or his representative may, within ninety days from the time of that judgment, commence a new action in the proper court. The time between the commencement of the first and last action shall not be counted in applying any statute of limitation.

(2) As used in this section, "court" means all courts, commissions, and boards which are judicial or quasi-judicial tribunals authorized by the Constitution or statutes of the Commonwealth of Kentucky or of the United States of America.

Section 2. Whereas, the claims of many of the Commonwealth's citizens are being daily litigated in various statutory tribunals of the Commonwealth, and the merits thereon are in many instances not considered because of the technical provisions of the various jurisdictional statutes which prevent adjudication of claims upon their merits, it is deemed desirable and necessary to immediately broaden the existing grace period provisions for filing petitions or claims in the proper tribunals.

Now, Therefore, an emergency is declared to exist and this Act shall become effective immediately upon its passage by the General Assembly and approval by the Governor.

SB 355, AN ACT relating to correction and revision to the Kentucky Revised Statutes (Reviser's Bill).

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 62.155 of the Kentucky Revised Statutes is amended to read as follows:

With the exception of the sheriff's county levy bond, and with the exception of those bonds upon which the premium is now paid by the state or county, each sheriff shall have a valid claim against the state for the amounts paid by him for premiums on the bonds required of him by law, when the bonds have been executed by an incorporated surety company authorized to do a surety business in Kentucky, and when the claims are verified by the sheriff's affidavit. This Section is intended to supersede subsection (2) of KRS 62.140 with respect to sheriffs whose fees are paid into the State Treasury.

Section 2. Subsection (3) of Section 64.530 of the Kentucky Revised Statutes is amended to read as follows:

(3) Justices of the peace serving on a fiscal court in any county,

and county commissioners serving on a fiscal court in any county other than one containing a city of the first, second, third or fourth class, shall be paid for their services, out of the county treasury, not to exceed fifteen dollars per day for each day of actual attendance of the meetings of the fiscal court. The fiscal court shall fix the amount to be received within the above limit, but with the exception of the terms that are being served on June 30, 1950, no change of compensation shall be effective as to any member of a fiscal court during his term of office. The compensation of county commissioners serving on fiscal courts in counties containing a city of the first, second, third or fourth class shall continue to be limited as provided in subsections (1), (2), (3) and (4) of KRS 67.110, and nothing in KRS 64.480 to 64.760 is intended to authorize any change in such compensation during the term of any member. County commissioners or justices of the peace shall not receive any compensation for their services on the fiscal court, other than as provided in this section or subsections (1), (2), (3) and (4) of KRS 67.110, nor shall they receive any compensation for serving on committees of the fiscal court.

Section 3. Section 66.290 of the Kentucky Revised Statutes is amended to read as follows:

The Commissioner of Revenue, with the advice of the State Local Finance Officer if one is appointed, may, within the limits prescribed by KRS Chapter 18, employ, discharge, fix the compensation of and authorize the payment of all necessary expenses of such office and field staff as he deems necessary to administer the provisions of KRS 66.280 to 66.390. The State Local Finance Officer may delegate the duties and powers imposed on him by KRS 66.280 to 66.390.

Section 4. Subsection (4) of Section 86.090 of the Kentucky Revised Statutes is amended to read as follows:

(4) Immediately after the adjournment of each meeting of the council, the clerk of the council shall have every ordinance passed at the meeting, except ordinances enacted under KRS 80.280, published at least once in some newspaper published in the city, or by handbills. The publication directed by this subsection shall be made before the ordinance is enforced. The clerk shall preserve a copy of each published ordinance.

Section 5. Section 89.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates subsection (4) of KRS 89.460 shall be fined not more than two hundred dollars.

Section 6. Subsection (2) of Section 91.080 of the Kentucky Revised Statutes is amended to read as follows:

(2) The comptroller and inspector shall inspect the management, efficiency, operating methods, accounts and accounting methods and

results of operations of all departments, divisions, boards, commissions and institutions of the city, and shall report to the mayor and board of aldermen his findings and recommendations. The reports so made shall be published. The comptroller and inspector shall inspect each department of the city at such times as he elects, but not less frequently than once in each fiscal year. He shall recommend rules and regulations in relation to all accounts, settlements and reports connected with the fiscal affairs of the city. He shall report to the director of finance and the mayor any liability that is incurred or expenditure made from city funds without authority of law or any appropriation that is overdrawn. He shall see that the accounts of the city are kept in a systematic and orderly manner, and perform any other duties prescribed by law.

Section 7. Section 91.090 of the Kentucky Revised Statutes is amended to read as follows:

There is created in each city of the first class the office of accountant. The comptroller and inspector shall appoint an accountant, who shall act under the supervision and control of the comptroller and inspector. The accountant shall audit all salary and expense payrolls and sign all checks on the city treasury which shall be countersigned by the director of finance, and discharge such other duties as are required of him by the comptroller and inspector. In the absence or disability of the accountant, the comptroller, and inspector shall designate some suitable person performing duties under the comptroller and inspector to act in place of the accountant. The accountant shall give bond, to be approved by the mayor and board of aldermen. His salary shall be fixed by ordinance.

Section 8. Subsection (4) of Section 91.140 of the Kentucky Revised Statutes is amended to read as follows:

(4) Such employes of the sinking fund as may be designated by the board of commissioners thereof, shall have the same powers as peace officers, co-extensive with the county in which said city is located, in the enforcement of all ordinances passed pursuant to KRS 92.281, 91.200 to 91.270 inclusive, 137.410, 186.270, 281.815, or any other ordinance of a city of the first class, which levies a license tax and which is collected or paid to said sinking fund.

Section 9. Subsection (2) of Section 92.170 of the Kentucky Revised Statutes is amended to read as follows:

(2) In all cases in which the city council requires the clerk to perform the duties of collector it may provide by ordinance that all local taxes due or to become due for improvement of streets shall be payable to the clerk at his office, instead of at the office of the city treasurer. In that case the clerk shall keep in his office, in a book provided for that purpose, a record of all assessments of such local taxes thereafter assessed, showing the name and portion that all local

taxes due or to become due of the street in which the improvement is made, the character of the improvement and the names of the persons against whose property the assessments are made. If the assessments have already been made, the book or books showing such record shall be delivered to the clerk. When any improvement tax is paid to the clerk, he shall make proper entry thereof in the record book provided for in this subsection, and the lien for the tax shall then stand released. The clerk shall carefully keep a separate account of the funds arising from assessments for each particular improvement, and each of the funds shall, upon the order of the city council, be turned over to the city treasurer, who shall also keep a separate account of the funds, and thereafter the funds shall be applied as provided by KRS 94.390 and 94.400. In all such cases the clerk shall have the same power as the city treasurer to coerce payment.

Section 10. Subsection (5) of Section 134.990 of the Kentucky Revised Statutes is amended to read as follows:

(5) Any outgoing sherifff who fails for ten days to comply with the provisions of KRS 134.215 shall be fined not less than fifty dollars nor more than five hundred dollars, and be liable on his bond for any default.

Section 11. Subsection (1) of Section 136.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) All associations of underwriters authorized under KRS 304.315 to 304.319, and their representatives, shall make the same reports as are required of foreign stock insurance companies and their representatives transacting the same or similar kinds of insurance business in this state, and shall pay the same taxes as are required to be paid by such companies.

Section 12. Subsection (10) of Section 136.990 of the Kentucky Revised Statutes is repealed.

Section 13. Section 138.500 of the Kentucky Revised Statutes is amended to read as follows:

No suit shall be maintained in any court on any ground to restrain or delay the collection of the tax imposed by KRS 138.020, 138.140, 138.220, 138.460 or 138.565. The aggrieved taxpayer shall pay the tax under protest as and when due, and may at any time within two years from the date of such payment sue the state through the Department of Finance, in an action in any state or Federal court having jurisdiction, for recovery of the tax so paid with interest thereon from the date of payment. If it is finally determined that the tax or any part thereof was wrongfully collected, for any reason, the Department of Finance shall issue its warrant on the State Treasurer for the amount of tax adjudged to have been wrongfully collected, together with interest thereon. The State Treasurer shall pay the same at once in preference to other warrants or claims against the state. Such refunds of taxes paid under KRS 138.020 or 138.140 shall be paid out of the General Fund, and such refunds of taxes paid under KRS 138.220, 138.460, or 138.565 shall be paid out of the Road Fund. Separate suits need not be filed for each separate payment made, but recovery may be had in one suit for all sums paid that are not barred by the limitation of two years imposed by this section.

Section 14. Section 138.720 of the Kentucky Revised Statutes is amended to read as follows:

It is unlawful for any person to:

(1) Fail to pay the tax imposed by KRS 138.655 to 138.725;

(2) Fail, neglect, or refuse to file any return required under KRS 138.655 to 138.725 in the manner or within the time required;

(3) Make any false statement or conceal any material fact in any record, return, or affidavit provided for under KRS 138.655 to 138.725;

(4) Conduct any activities requiring a license under the provisions of KRS 138.655 to 138.725 without such license or after such license has been surrendered, canceled, or revoked;

(5) Assign or attempt to assign a license issued under KRS 138.655 to 138.725;

(6) Violate any other provisions of KRS 138.655 to 138.725.

Section 15. Subsection (3) of Section 138.990 of the Kentucky Revised Statutes is repealed.

Section 16. Section 159.180 of the Kentucky Revised Statutes is amended to read as follows:

Every parent, guardian or custodian of a child residing in any school district in this state is legally responsible for any violation of KRS 159.010 to 159.170 by the child. Before any proceedings are instituted against the parent, guardian or custodian for violation of KRS 159.010 to 159.170, a written notice of the violation shall be served on the person by the attendance officer, and one day shall be given for the termination of the violation. After such notice, if the violation is continued or if the provisions of KRS 159.010 to 159.170 are again violated during the school term by the child, no further notice shall be necessary and the parent or guardian shall be punishable as provided in KRS 159.990. A notice by registered mail or by personal service by the attendance officer shall be a legal notice.

Section 17. Sections 160.042 and 160.043 of the Kentucky Revised Statutes are repealed and re-enacted to read as follows:

(1) Upon a merger under the provisions of KRS 160.040 and 160.041 of an independent school district in a city of the first class with a county school district in counties containing a city of the first class, the members of the county board of education of the merged county school district, shall be elected from the county school district at large.

(2) Each member of the respective boards of education at the time of the merger of the districts, may continue to hold office until the expiration of his or her term of office, but any vacancy occurring among such members for any reason shall not be filled.

Section 18. Section 160.380 of the Kentucky Revised Statutes is amended to read as follows:

Except as provided in KRS 160.430, all appointments, promotions and transfers of principals, supervisors, teachers and other public school employes shall be made only upon the recommendation of the superintendent of schools, subject to the approval of the board. If the board of education cannot agree with the superintendent as to any legally qualified person recommended by the superintendent, the board of education may appeal to the State Board of Education to review the case and the decision of the State Board of Education shall be final. All employes of the board shall have such qualifications as are prescribed by law and by the regulations of the State Board of Education and of the employing board. Supervisors, principals, teachers and other employes may be appointed by the board of education for any school year at any time after April 1 next preceding the beginning of the school year.

Section 19. The preamble in Section 160.631 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 160.630 and 160.632, unless the context otherwise requires:

Section 20. Section 186.181 of the Kentucky Revised Statutes is amended to read as follows:

The Commissioner of Public Safety shall, upon receipt of a report from the Department of Revenue of a cancelled motor vehicle registration plate, cause all members of the State Police and such peace officers as he may deem necessary, to be notified of the cancellation. It shall be the duty of all members of the State Police and all peace officers to seize any registration plate bearing a cancelled number and to report such seizure to the Department of Revenue.

Section 21. Subsection (2) of Section 186.990 is repealed.

Section 22. Subsection (8) of Section 189.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(8) "State Police" includes any agency for the enforcement of the highway laws established pursuant to law.

Section 23. Subsection (1) of Section 189.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department, in respect to state and Federal highways, and county courts, or the judges thereof, in respect to county high-

ways, may prescribe, by notice as provided in subsection (2), load and speed limits lower than the limits prescribed in KRS 189.221 and subsection (3) of KRS 189.390, respectively, whenever in its judgment any highway may, by reason of its design, deterioration, rain or other natural causes, be damaged or destroyed by motor trucks or semitrailer trucks, if their gross weight or speed exceeds certain limits. The department or county courts, or the judges thereof, may, by like notice, regulate or prohibit the operation of motor trucks or semitrailer trucks on state highways or county roads for limited periods or specified days, or parts of days, if their load and speed exceed those limits, whenever, in its or their judgment, such regulations or prohibition is necessary, by reason of traffic density or intensive use by the traveling public, to provide for the public safety and convenience on the highway.

Section 24. The Reviser of Statutes is directed to change every reference to "state patrol" or "State Highway Patrol" in KRS Chapter 189 to read "state police"; and to change every reference to "Department of State Police" in the same chapter to read "Department of Public Safety."

Section 25. Section 196.160 of the Kentucky Revised Statutes is amended to read as follows:

The commissioner shall appoint a superintendent, a receiver and other necessary employes for each of the state penal and correctional institutions, and for the state institution for the feebleminded, and shall fix their compensation, which may include maintenance, in accordance with the provisions of KRS 64.640.

Section 26. Subsection (1) of Section 197.110 of the Kentucky Revised Statutes is amended to read as follows:

The department shall make such rules and regulations as it deems necessary and proper in relation to:

(1) The classification of prisoners;

Section 27. Subsection (3) of Section 212.120 of the Kentucky Revised Statutes is amended to read as follows:

(3) In determining the allotments referred to in subsection (2) of this section, the State Board of Health shall endeavor to provide for a distribution of the funds in a manner that is reasonably calculated to equalize, so far as practicable, local health services to the people of all counties served by county and district health departments. The State Board of Health may take into consideration variations existing between counties and districts by reasons of difference in population, resources, industrialization, tax assessments and tax rates, and other local factors and conditions; the legislative intent being hereby declared to be that counties shall provide, from local sources of revenue that are available or that may be made available to them, financial

support of county and district health departments to the extent of their representative abilities.

Section 28. Subsection (4) of Section 217.990 of the Kentucky Revised Statutes is repealed.

Section 29. Subsection (2) of Section 218.250 of the Kentucky Revised Statutes is amended to read as follows:

(2) In event a conviction is had under subsection (1) of this section in a county, quarterly, justice's or police court, such court shall have the same authority to postpone the entering of judgment and the sentencing of the defendant, and to place the defendant on probation, as the circuit courts have under the provisions of KRS 439.260, and all of the provisions of KRS 439.260 to 439.300 shall apply, and the probation officers shall perform the same functions with respect to probations made under this section as they do in the case of probations made by the circuit court.

Section 30. Subsection (2) (a) of Section 228.010 of the Kentucky Revised Statutes is amended to read as follows:

(2) As used in this chapter, unless the context otherwise requires:

(a) "Assistant" includes persons authorized to act as such by the Director of the Division of Insurance;

Section 31. Subsection (8) of Section 246.220 of the Kentucky Revised Statutes is amended to read as follows:

(8) No person shall in any way impersonate, hinder or obstruct the department or its inspectors in the performance of their official duties under KRS 248.280 to 248.440 or 261.220.

Section 32. Subsection (4) of Section 247.130 of the Kentucky Revised Statutes is amended to read as follows:

(4) A manager and any persons employed under this section shall not be subject to the provisions of KRS Chapter 18.

Section 33. Subsection (1) of Section 258.165 of the Kentucky Revised Statutes is amended to read as follows:

Any person who keeps or operates a kennel may, in lieu of the license for each dog required by KRS 258.135, apply to the dog warden for a kennel license entitling him to keep or operate a kennel. Such application shall be accompanied by a license fee of ten dollars for each license to keep ten dogs or less and fifteen dollars for each license to keep more than ten dogs. Such license fees shall be collected, paid to the department, and credited to the Livestock Fund in the same manner as the regular dog license fees.

Section 34. Subsection (3) of Section 258.990 of the Kentucky Revised Statutes is amended to read as follows:

(3) Any person violating or failing or refusing to comply with

KRS 258.095 to 258.365 and subsections (3) and (4) of this section shall, upon conviction, be fined not less than five dollars and not more than one hundred dollars or be imprisoned for not less than five nor more than sixty days or both so fined and imprisoned.

Section 35. Section 286.030 of the Kentucky Revised Statutes is amended to read as follows:

The Chairman of the Public Service Commission shall be ex officio Commissioner of Business Regulation and as such shall be head of the department.

Section 36. Sections 286.010, 286.020, 286.070 of the Kentucky Revised Statutes are hereby repealed.

Section 37. Subsection (1) of Section 289.530 of the Kentucky Revised Statutes is amended to read as follows:

(1) The director of banking shall appoint the Federal Savings and Loan Insurance Corporation as receiver or liquidator, or as co-receiver or coliquidator of an association that the director of banking has taken charge of under the provisions of KRS 289.420 when:

(a) Any of the shareholders or investors of the association have insurance protection to any extent as provided by Title IV of the National Housing Act (48 Stat. 1246) as amended;

(b) The director of banking believes that the interests of the members will not be protected by the adoption of the procedure prescribed by KRS 289.425 or 289.426; and

(c) The Federal Savings and Loan Insurance Corporation agrees to make payment in accordance with the provisions of the National Housing Act.

Section 38. Section 311.520 of the Kentucky Revised Statutes is repealed.

Section 39. Subsection (8) of Section 311.550 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 311.550 to 311.620 and 311.990 (8) to (11):

(8) The "practice of medicine" does not include the practice of Christian Science, the practice of chiropody as defined in KRS 311.380, the practice of dentistry as defined in KRS 313.010, the practice of optometry as defined in KRS 320.210, the practice of chiropractic as defined in subsection (2) of KRS 312.010, the practice of nursing as defined in KRS 314.010, the practice of pharmacy by persons licensed and registered under KRS 315.050, the sale of drugs, nostrums, patented or proprietary medicines, trusses, supports, spectacles, eyeglasses, lenses, instruments, apparatus, or mechanisms that are intended, advertised or represented as being for the treatment, correction, cure or relief of any human ailment, disease, injury, infirmity or condition, in regular mercantile establishments, or the practice of midwifery by women; provided, however, that KRS 311.550 to 311.620 shall not be construed as

repealing the authority conferred on the Department of Health and its Division of Child Hygiene by KRS Chapter 211 to provide for the instruction, examination, licensing and registration of all midwives through county health officers.

Section 40. Section (7) of Section 405.990 of the Kentucky Revised Statutes is repealed.

Section 41. Section 439.095 of the Kentucky Revised Statutes is amended to read as follows:

The director of welfare of any county containing a city of the first class may promulgate rules and regulations for the creation, supervision and operation of a system of parole whereby there may be deduction for good conduct from the time of persons confined in the workhouse or penal farm of such county by reason of a judgment of any court within such county. Provided, however, said system shall not become effective until such rules and regulations are approved by the fiscal court of such counties and may be amended by a similar procedure. If there is no director of welfare in such county, the fiscal court shall have the exclusive authority to promulgate such rules and regulations.

Section 42. Subsection (6) of Section 439.250 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 439.250 to 439.560, unless the context requires otherwise:

(6) "Conditional Releasee" means any person released under the provisions of KRS 197.045.

Section 43. Subsection (1) of Section 439.360 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board shall have the duty and authority to impose conditions upon prisoners released under KRS 197.045, and shall have the power to make regulations governing the conduct of such released persons.

Section 44. Section 453.190 of the Kentucky Revised Statutes is amended to read as follows:

Except as provided in paragraph (b) of subsection (2) of KRS 28.460, a court may allow a poor person residing in this state to prosecute or defend any action therein without paying costs, whereupon he shall have any counsel that the court assigns him and shall have from all officers all needful services and process without any fees, except such as are included in the costs recovered from the adverse party.

Section 45. This Act is subordinate to all other Acts of the 1958 General Assembly enacted before or after the passage of this Act. In case of any conflict between a provision of this Act and a provision of any other Act adopted at this Session, the provisions of the other Act shall prevail.

Section 46. The Legislative Research Commission shall analyze the statutes of the Commonwealth and prepare a revision thereof, classifying, consolidating and re-arranging the sections for purposes of classification, brevity and simplicity and removing conflicts, implied repeals and other errors resulting from new legislation and sectional revision. In this revision the Commission shall not alter the sense or effect of the statutes in any way. The general view directed by this Act shall be in addition to the regular statute revision work being performed by the Commission. The Commission may proceed by either topical revision or bulk revision and shall submit a report of the general revision program to the 1960 Session of the General Assembly. Such report shall include such revised statutes as are recommended for enactment by the General Assembly.

SR 84, A CONCURRENT RESOLUTION providing for a study by the Legislative Research Commission of public library service in the Commonwealth of Kentucky.

WHEREAS, many Kentuckians have become increasingly aware of the benefits of public library service through the Bookmobile Project and the services of the Library Extension Division; and

WHEREAS, considerable progress has been made in some areas of Kentucky through the Public Library Service Fund and the federal funds provided through the Library Services Act; and

WHEREAS, the development of adequate library service for all Kentuckians now without libraries is desirable, and will be furthered under the regional library program; and

WHEREAS, the establishment of good library service for all citizens of Kentucky is contingent on cooperation of local, state and federal library and educational agencies; and

WHEREAS, the citizens and librarians of the Commonwealth of Kentucky look to the state library agency for assistance and leadership.

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Legislative Research Commission is hereby authorized and directed to make a careful and impartial study of public library service in Kentucky, the laws relating to public libraries and librarians and to the Library Extension Division, and an analysis of the functions and operation of the Library Extension Division.

Section 2. That the Legislative Research Commission shall report as soon as practicable, but no later than the 1960 regular session of the General Assembly, its findings and recommendations with respect to such matters as it deems essential to the study.

Section 3. That the Legislative Research Commission in carrying out the provisions of this Resolution shall have the cooperation of the Library Extension Division, the Kentucky Library Association, the Friends of Kentucky Libraries, and such other agencies, officers and consultants as it may deem necessary.

Orders of the Day

SB 75 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. **SB 75** read at length to the House.

On roll call, the vote was: Yeas, 72—Anderson, Arnold, Bach, Bartley, Barton, Baumgardner, Breckinridge, Brown, Buchanan, Buckner, Burress Bush, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Finney, Fitzpatrick, Ford, Gay, Greene, Hahn, Hale, Haley, Hall, Hinkle, Hislope, Hodges, Hopkins, Howard, Kingsbury, Kubale, Lyon, McCallum, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Ratcliffe, Rausch, Ray, Raybourne, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tanner, S. R. Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Wilson, Wirsch; Nays, 0.

SB 75 was passed and the title agreed to.

SB 335 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 67—Anderson, Arnold, Bach, Bartley, Baumgardner, Breckinridge, Brown, Buchanan, Buckner, Burress, Bush, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Finney, Ford, Gay, Greene, Hahn, Hale, Haley, Hall, Hinkle, Hislope, Hodges, Hopkins, Howard, Kincer, Kingsbury, Kubale, Lyon, McCallum, Mackey, Parrish, Rausch, Ray, Raybourne, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tanner, S. R. Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch; Nays, 1—Ockerman.

SB 335 was passed and the title agreed to.

Representative Everett moved that **SB 60** be taken from Orders of the Day, that it be read for the third time and placed on passage. Agreed.

Representative Ockerman moved to amend **SB 60** as follows:

Amendment No. 1:

Amend printed copy of **SB 60** on page 2, line 40 by inserting following the word "holiday" and preceding the word "if" the phrase:
"provided that any bank, trust company or any combined bank or trust company electing to remain open on any of the above mentioned holidays which occurs on a Monday, Tuesday, Wednesday, Thursday or Friday shall remain closed the following Saturday."

Rejected.

On roll call for passage, the vote was: Yeas, 55—Anderson, Arnold, Bach, Bartley, Barton, Baumgardner, Buchanan, Buckner, Burress, Casey, Chaudoin, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, W. F. Davis, Dempsey, Duff, Everett, Farmer, Finney, Fitzpatrick, Gay, Greene, Haley, Hall, Hinkle, Hislope, Hodges, Isler, H. N. Johnson, Kincer, Lyon, McReynolds, Moore, Ockerman, Parrish, Rausch, Ray, Raybourne, Rayburn, C. R. Reynolds, Smith, Sowards, Steiger, Stith, S. R. Thomas, Wells, Whitehead, Willen, Williams, Wirsch, Young; Nays, 9—Breckinridge, Bush, Cottengim, P. F. Davis, Mackey, Newberry, Ratcliffe, R. Reynolds, Wilson.

SB 60 was passed and the title agreed to.

Reconsideration

Representative Ockerman moved that the rules be suspended for the purpose of making a motion. Agreed.
Representative Ockerman moved that the vote by which **SB 60** was passed be reconsidered. Agreed.
Representative Ockerman moved that the vote by which Amendment No. 1 to **SB 60** was rejected be reconsidered. Agreed. Mr. Ockerman then moved the adoption of Amendment No. 1. Adopted.

Representative McCallum moved to amend **SB 60** as follows:

Amendment No. 2:

Amend printed copy of **SB 60** on page 2, lines 29 and 30 by deleting the words, "the 22nd day of February (Washington's birthday)"

Rejected.

Representative McCallum moved to amend **SB 60** as follows:
Amendment No. 3:
Amend printed copy of **SB 60** on page 2, line 32 by deleting the words, "and the 11th day of November (Veteran's Day)."

Rejected.

On roll call for passage of **SB 60** as amended, the vote was: Yeas, 47—Anderson, Bartley, Baumgardner, Breckinridge, Burress, Bush, Clore, Combs, E. E. Cook, M. W. Cook, Bill Cornett, Cottengim, Crecelius, W. F. Davis, Duff, Farmer, Fitzpatrick, Ford, Gay, Greene, Hale, Haley, Hall, Hinkle, Hodges, Howard, Isler, Kingsbury, Kubale, Lyon, McGuire, McReynolds, Moore, Ockerman, Rausch, Raybourne, Rayburn, Render, C. R. Reynolds, Searcy, Steiger, Stith, Walsh, Wells, Willen, Wilson, Wirsch; Nays, 11—Bach, Casey, Chaudoin, Finney, Hahn, McCallum, Mackey, Newberry, Ratcliffe, Ray, Young.

SB 60 was passed and the title agreed to.

Representative Everett moved that **SB 318** be taken from Orders of the Day, that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 41—Bach, Baumgardner, Buchanan, Buckner, Bush, Casey, Chaudoin, Clore, Combs, E. E. Cook, Cottengim, Crecelius, Everett, Finney, Fitzpatrick, Gay, Greene, Hahn, Haley, Hall, Hinkle, Isler, H. N. Johnson, Kincer, Kingsbury, McReynolds, Mackey, Rausch, Ray, Rayburn, C. R. Reynolds, Searcy, Smith, Sowards, Steiger, Walsh, Wathen, Weintraub, Wells, Williams, Wilson; Nays, 21—Anderson, Arnold, Barton, Breckinridge, M. W. Cook, Bill Cornett, P. F. Davis, W. F. Davis, Dempsey, Ford, Gullette, Hale, Hislope, Lyon, McCallum, Parrish, Render, Stith, Tanner, Willen, Wirsch.

SB 318 was passed and the title agreed to.

Representative Fitzpatrick moved that the vote by which **SB 318** was passed be reconsidered and said motion be laid on the table. Agreed.

Representative Everett moved that **SB 138** be taken from Orders of the Day, given its third reading and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 50—Arnold, Bach, Bartley, Barton, Baumgardner, Buchanan, Bush, Casey, Chaudoin, Clore, Combs, E. E. Cook, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Everett, Farmer, Finney, Gay, Gullette, Hahn, Hislope, Hodges, Hopkins, Isler, H. N. Johnson, Kubale, Lowman, Lyon, McCallum, McGuire, McReynolds, Newberry, Ratcliffe, Render, C. R. Reynolds, R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Walsh, Willen, Williams, Wilson, Wirsch; Nays, 18—Anderson, Breckinridge, Buckner, M. W. Cook, Bill Cornett, Dempsey, Duff, Ford, Hale, Haley, Hinkle, Howard, Moore, Parrish, Rayburn, Wathen, Wells, Whitehead.

SB 138 was passed and the title agreed to.

Representative Bartley moved that the vote by which **SB 138** was passed be reconsidered and said motion be laid on the table. Agreed.

The Speaker vacated the Chair and asked Representative Rayburn to preside.

SB 169 taken from Orders of the Day on recommendation of the

Rules Committee. Representative Everett moved that it be read by title only and placed on passage. Agreed.

On roll call, the vote was: Yeas, 72—Anderson, Arnold, Bach, Bartley, Barton, Baumgardner, Breckinridge, Buchanan, Buckner, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Finney, Fitzpatrick, Ford, Gay, Gullette, Hahn, Hale, Haley, Hall, Hinkle, Hislope, Hopkins, Howard, Huddleston, Isler, Kingsbury, Kubale, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Ockerman, Parrish, Ratcliffe, Rausch, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Wathen, Wells, Whitehead, Willen, Williams, Wirsch; Nays, 0.

SB 169 was passed and the title agreed to.

SB 181 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that the bill be read for the third time and placed on passage. Agreed. The Clerk read the bill as directed.

On roll call, the vote was: Yeas, 61—Arnold, Bach, Bartley, Barton, Baumgardner, Breckinridge, Brown, Buchanan, Buckner, Casey, Chaudoin, Clore, Combs, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Finney, Fitzpatrick, Gay, Greene, Hahn, Hale, Hall, Hinkle, Hislope, Hodges, Hopkins, Howard, Isler, H. N. Johnson, Kingsbury, Kubale, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Ockerman, Parrish, Ratcliffe, Rausch, Raybourne, Rayburn, R. Reynolds, Searcy, Steiger, Stith, Walsh, Wathen, Wells, Whitehead, Willen, Wirsch; Nays, 6—M. W. Cook, Ford, Gullette, Haley, Newberry, Williams.

SB 181 was passed and the title agreed to.

Representative Wathen moved that the vote by which **SB 181** was passed be reconsidered and said motion laid on the table. Agreed.

SB 229 taken from Orders of the Day on recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 30—Arnold, Bach, Bartley, Barton, Baumgardner, Brown, Buchanan, Buckner, Bush, Clore, P. W. Cornett, Cottengim, W. F. Davis, Duff, Farmer, Fitzpatrick, Greene, Hale, Hislope, Hodges, Hopkins, Howard, Isler, H. N. Johnson, McReynolds, R. Reynolds, Steiger, Walsh, Whitehead, Willen; Nays, 15—Casey, Chaudoin, Combs, Crecelius, Dempsey, Ford, Hall, Hinkle, Parrish, Rayburn, C. R. Reynolds, Sowards, Stith, Wathen, Young.

SB 229 was defeated.

Representative Fitzpatrick moved that the House adjourn until 1:00 p.m., March 20. Agreed.

THURSDAY, MARCH 20, 1958

FIFTY-NINTH LEGISLATIVE DAY

The House was called to order by the Speaker, Mr. Weintraub.

Invocation by the Reverend Edward L. Tullis, of the First Methodist Church, of Frankfort.

The roll was called. All members present except Anderson, Bill Cornett, Farmer, Hodges, Isler, H. Nick Johnson, Huston Johnson, Miller, Ratcliffe, Russell Reynolds, who were granted leaves of absence on motion of Representative Chaudoin.

Reading of the Journal for March 19 dispensed with and the same approved on motion of Representative McReynolds.

Report on Enrolled Bills

The Committee on Enrollment reported that **SB 75**, **SB 103**, **SB 138**, **SB 181**, **SB 318**, and **SB 335** had been examined and found correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Reconsideration

Representative Hall moved that the vote by which **SB 229** was defeated be reconsidered. Agreed.

Representative Hall moved to amend **SB 229** as follows:

Amendment No. 1:

Amend printed copy of **SB 229** on page 1, section 2, line 4 by deleting the word "shall" and inserting in lieu thereof the word "may"

Adopted.

On roll call for passage, the vote was: Yeas, 60—Bach, Bartley, Barton, Baumgardner, Billington, Brown, Buchanan, Buckner, Burress, Bush, Clore, Coffey, Combs, E. E. Cook, P. W. Cornett, Crecelius, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Gay, Greene, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, H. N. Johnson, Kincer, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Peace, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Tanner, Ed Thomas, S. R. Thomas, Walsh, Willen, Williams; Nays, 7—M. W. Cook, Rayburn, Stith, Tinsley, Wathen, Wilson, Young.

SB 229 was passed as amended and the title agreed to.

Representative Sowards moved that the vote by which **SB 229** was passed be reconsidered and said motion laid on the table. Agreed.

Senate Message

Senate message announcing passage of **HB 109**, **HB 139**, **HB 466**, **HB 319**, **HB 73**, **HB 476**, **HB 546**, **HB 49** with Senate Amendment, **HB**

13 with Senate Amendment, **HB 377, HB 276** with Senate Amendment, **HB 10** with Senate Amendments, **SR 98, SR 99.**

SR 98 adopted by the House by voice vote.

SR 98, A JOINT RESOLUTION designating Kentucky Highway 55 as Sergeant York Trail.

WHEREAS, Sergeant Alvin York of Tennessee has reflected great credit upon Kentucky;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

That Kentucky State Highway number 55 be designated as "The Sergeant York Trail."

That the Department of Highways of the Commonwealth of Kentucky is directed to place appropriate markers at both ends of, and at reasonable intervals along, Kentucky Highway Number 55.

That the Clerk of the Senate is directed to forward copies of this resolution to the Department of Highways of the Commonwealth of Kentucky.

SR 99 adopted by the House by voice vote.

SR 99, A JOINT RESOLUTION designating Kentucky Highway 35 as "Wolf Creek Dam Highway."

WHEREAS, Wolf Creek Dam, one of the nation's great impoundments of water, being located largely in Kentucky;

WHEREAS, the Dam site itself is wholly in this state, and brings to our state thousands of sportsmen and visitors;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

That Kentucky State Highway number 35 be designated as Wolf Creek Dam Highway.

That the Department of Highways of the Commonwealth of Kentucky is directed to place appropriate markers at both ends of, and at reasonable intervals along, Kentucky Highway Number 35.

That the Clerk of the Senate is directed to forward copies of this resolution to the Department of Highways of the Commonwealth of Kentucky.

Introductions of Resolutions

HR 128, by Representatives Kubale, Wilson, A RESOLUTION urging the National Collegiate Athletic Association to permit the televising locally of its semi-final and championship basketball sessions.

HR 129, by Representative Hislope, A RESOLUTION substituting the statue of William S. Taylor for the statue of William Goebel.

HR 130, by Representatives Barton, McGuire, Williams, Nunn, Billington, Lovelace, McCallum, E. E. Cook, A RESOLUTION urging the Department of Conservation to continue to permit the use of parking, beach and swimming areas of the state parks without a charge therefor.

HR 128 adopted on motion of Representative Kubale.

HR 128, A RESOLUTION urging the National Collegiate Athletic Association to permit the televising locally of its semi-final and championship basketball sessions.

WHEREAS, the semi-final and championship grounds of the NCAA tournament are to be contested in Louisville, Kentucky, on March 20 and 22;

WHEREAS, the University of Kentucky, a participant in the tournament, has a large and loyal following in the area served by local television stations;

WHEREAS, Kentucky is universally acknowledged to be the basketball mecca of the world;

WHEREAS, tickets for all sessions of the tournament have long since ceased to be available to the general public and capacity attendance is assured; and

WHEREAS, although excellent newspaper coverage to be accorded this event is a foregone conclusion, thousands of sports addicts who are unable to obtain tickets are most desirous of witnessing these events;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the National Collegiate Athletic Association be and hereby is urgently requested to permit the televising locally of the semi-final and championship rounds of the NCAA basketball tournaments.

Section 2. That the Clerk of the House of Representatives be and hereby is directed to cause copy of this Resolution to be sent to Mr. Walter Byers, Executive Director of the National Collegiate Athletic Association.

Representative Everett moved that **HR 129** be tabled. Agreed.

HR 130 adopted by House on motion of Representative McCallum.

HR 130, A RESOLUTION urging the Department of Conservation to continue to permit the use of parking, beach and swimming areas of the state parks without a charge therefor.

WHEREAS, it has been the fundamental policy of the Commonwealth of Kentucky in the establishment of a state park system to provide areas of scenic beauty, and recreational utility for the general public and all of the people of Kentucky wherever practicable without charges; and

WHEREAS, it is the fundamental policy of the Commonwealth of Kentucky that the scenic beauties and recreational facilities of state parks should be available to all citizens of the state, regardless of their financial means; and

WHEREAS, it has been for some period of time the policy of the Department of Conservation to permit the public to use the parking, beach and swimming areas of the state parks without making a charge therefor; and

WHEREAS, it would appear that the policy in this regard is to be changed and a charge made for the use of parking, beach and swimming areas; and

WHEREAS, the imposition of a charge for the use of the parking, beach and swimming areas of the state parks may cause children to use unprotected swimming areas with an increased danger of possible loss of life; and

WHEREAS, it would appear that guests of state operated hotels, motels and cottages will be permitted to use the parking, beach and swimming areas of the state parks without any additional charge therefor; the result being to give state-owned hotels, motels and cottages a further competitive advantage over their privately owned counterparts.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Department of Conservation is urged to continue its policy of permitting the public to use the parking, beach and swimming areas of the state parks without making a charge therefor.

Report on Enrolled Bills

HB 476, HB 174, HB 139, HB 159, HB 160, HB 550, HB 298, HB 109, HB 319, HB 73, HB 466, HB 475 delivered, signed by the President of the Senate. Ordered delivered to the Governor.

Orders of the Day

HB 13 taken from the Clerk. Representative Breckinridge moved that the House concur in the following Senate Amendment:

"Amend printed copy of **HB 13** on page 2, section 5, line 1 by striking Section 5 (lines 1, 2, 3 and 4) in entirety."

The amendment to **HB 13** was concurred in.

On roll call for final passage, the vote was: Yeas, 68—Arnold, Bach, Barton, Baumgardner, Breckinridge, Burke, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hale, Haley, Hart, Henry, Hinkle, Hislope, Hopkins, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Ray, Raybourne, Render, C. R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tinsley, Ed Thomas, S. R. Thomas, Walsh, Wathen, Wells, Whitehead, Williams, Wilson, Young; Nays, 0.

HB 13 was passed and the title agreed to.

HB 276 taken from the Clerk. Representative P. F. Davis moved that the House concur in the following Senate Amendment:

Amend printed copy of **HB 276** on page 3 following line 19 by adding a new section thereto to read as follows:

"Section 7. The monies received from the license fees collected shall be deposited into the State Treasury to the credit of the general fund for the enforcement of this Act."

The amendment to **HB 276** was concurred in.

On roll call for final passage of **HB 276**, the vote was: Yeas, 65—Arnold, Bach, Bartley, Baumgardner, Billington, Breckinridge, Buchanan, Buckner, Burke, Chaudoin, Combs, E. E. Cook, M. W. Cook, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Hahn, Hale, Haley, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lowman, Lyon, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Peace, Ray, Raybourne, Render, C. R. Reynolds, Richards, Searcy, Smith, Steiger, Tinsley, Ed Thomas, S. R. Thomas, Walsh, Wells, Williams, Young; Nays, 0.

HB 276 was passed and the title agreed to.

HB 10 taken from the Clerk. Representative Ed Thomas moved that the House concur in the following Senate Amendments:

Amendment No. 1:

Amend printed copy of **HB 10** on page 4, section 8, line 4 by deleting the figure "$500,000" immediately following the word "of" and inserting in lieu thereof the figure "$25,000"

Amendment No. 2:

Amend printed copy of **HB 10**, on page 4, section 8, line 4 by deleting the figure "$500,000" and inserting in lieu thereof the figure "$25,000"

Amendment No. 3:

Amend printed copy of **HB 10**, on page 2, section 5, line 3 by deleting the figure "$2,000" and inserting in lieu thereof the figure "$500.00"

House concurred in said amendments to **HB 10.**

On roll call for final passage, the vote was: Yeas, 56—Arnold, Bach, Bartley, Barton, Baumgardner, Billington, Breckinridge, Buchanan, Buckner, Bush, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Crecelius, P. F. Davis, W. F. Davis, Duff, Everett, Fields, Fitzpatrick, Gay, Greene, Hahn, Hale, Haley, Hart, Henry, Hinkle, Hopkins, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McReynolds, Mackey, Newberry, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Richards, Smith, Steiger, Tinsley, S. R. Thomas, Weintraub, Whitehead, Wilson, Wirsch, Young; Nays, 7—Dempsey, Hislope, Huddleston, Nunn, Ockerman, Parrish, Ray.

HB 10 was passed and the title agreed to.

HB 49 taken from the Clerk. Representative H. Nick Johnson moved that the House concur in the following Senate Amendment:

Amend printed copy of **HB 49** on page 1, section 1, lines 3-10 by deleting said lines 3 through 10 and inserting in lieu thereof:

"(1) The juvenile session of county court of each county shall have exclusive jurisdiction in proceedings concerning any child living, or found, in the county who has committed a public offense, except a moving motor vehicle offense involving a child sixteen years of age or older. The Juvenile session of the county court shall not have jurisdiction in any prosecution of a moving motor vehicle offense involving a child sixteen years of age or older. Juvenile offenders sixteen years of age or older accused of moving motor vehicle offenses shall be treated as any adult offender."

House concurred. On roll call for final passage of **HB 49** as amended the vote was: Yeas, 67—Arnold, Bach, Bartley, Billington, Buchanan, Buckner, Burke, Bush, Chaudoin, Clore, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Farmer, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hart, Henry, Hinkle, Hopkins, Howard, H. N. Johnson, Kubale, Lovelace, Lyon, McCallum, McGuire, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Peace, Rausch, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Tinsley, Wathen, Wells, Whitehead, Williams, Wirsch; Nays, 1—Breckinridge.

HB 49 was passed and the title agreed to.

Calendar

SB 204, SB 302, SB 317, SB 336, SB 348, SB 351, SB 250, SB 268, SB 296, SB 298, SB 313, SB 328, SB 342, SB 344, SB 350, SB 355, SR 84, SR 9, SR 14, SR 15, SR 34, SR 37, SR 40, SR 43, SR 50, SR 51, SR 52, SR 58, SR 61, SR 63, SR 68, SR 69, SR 45, SR 79, SR 89 read at length for the third time. Ordered placed in Orders of the Day.

Orders of the Day

Representative Everett moved that **SB 191** be taken from Orders of the Day, that it be read for the third time and placed on passage. Agreed.

SB 191 read for the third time.

On roll call, the vote was: Yeas, 75—Arnold, Bach, Baumgardner, Billington, Breckinridge, Buckner, Burke, Burress, Bush, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Kubale, Lovelace, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Peace, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Tinsley, Ed Thomas, Walsh, Wathen, Weintraub, Wells, Whitehead, Williams, Wilson, Wirsch; Nays, 0.

SB 191 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 191** was passed be reconsidered and said motion laid on the table. Agreed.

SB 273 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. The Clerk so read the bill.

On roll call the vote was: Yeas, 54—Barton, Baumgardner, Billington, Breckinridge, Brown, Buckner, Burke, Clore, Coffey, Combs, E. E. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Everett, Farmer, Fields, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hopkins, Howard, Huddleston, Kincer, Lovelace, Lyon, McGuire, Mackey, Parrish, Peace, Rausch, Ray, Raybourne, Render, Richards, Searcy, Steiger, Tanner, Walsh, Wathen, Weintraub, Wells, Williams, Wirsch, Young; Nays, 7—Bach, Bush, Dempsey, Ford, Newberry, Smith, Stith.

SB 273 was passed and the title agreed to.

The Speaker vacated the Chair and asked Representative Marlow Cook to preside in his absence.

SB 321 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. The Clerk so read the bill.

On roll call, the vote was: Yeas, 68—Arnold, Bach, Bartley, Barton, Baumgardner, Billington, Breckinridge, Buchanan, Buckner, Burke, Burress, Bush, Casey, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Crecelius, P. F. Davis, W. F. Davis, Duff, Farmer, Fields, Fitzpatrick, Gay, Gullette, Hahn, Hale, Haley, Hall, Hart, Hinkle, Hislope, Hodges, Hopkins, Howard, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McReynolds, Mackey, Newberry, Nunn, Parrish, Raybourne, Reed, Render, Richards, Searcy, Smith, Steiger, Stith, Tanner, Tinsley, S. R. Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

SB 321 was passed and the title agreed to.

Report on Enrolled Bills

The Committee on Enrollment reported that **SB 60** and **SB 229** had been examined and found correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

The Speaker again vacated the Chair and asked Representative Marlow Cook to preside.

Orders of the Day

SB 322 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage.

Representative Rayburn moved to amend **SB 322** as follows:

Amend printed copy of **SB 322** on page 5, section 4, line 6 by inserting after said line 6 a new section to read as follows:

"Section 5. Section 44.110 of the Kentucky Revised Statutes is amended to read as follows:

"A claim must be presented to the board within one year from the time it shall have accrued; except that any claim that accrued between March 1, 1956, and July 1, 1957, may be presented up to and including June 30, 1958."

Adopted.

Representative Williams presented the following amendment to **SB 322:**

Amend printed copy of **SB 322** on pages 2, 3, section 1 (5), lines 41 and 42 by striking lines 41 and 42 in their entirety and inserting in lieu thereof the following:

"members of the board, within the county wherein the claimant resides;"

Amendment withdrawn on motion of Mr. Williams.

Representative Williams then proposed the following amendment to **SB 322**:

Amend printed copy of **SB 322** on page 4, section 3 (1), line 3 by striking the words "Franklin Circuit Court" and inserting in lieu thereof the following:

"Circuit Court of the county wherein the claimant resides."

Adopted.

Representative Breckinridge moved that **SB 322** be laid on the Clerk's desk. Rejected.

Representative Williams moved that **SB 322** be made a Special Order of business for 8:00 p.m., March 21. Rejected.

Representative Williams made a motion that **SB 322** be made a Special Order for 2:00 p.m., March 21. Rejected.

Representative McGuire moved to lay the bill on the table. Rejected.

SB 322 as amended read for the third time. On roll call for passage, the vote was: Yeas, 46—Arnold, Bartley, Barton, Billington, Buchanan, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, Cottengim, W. F. Davis, Everett, Finney, Fitzpatrick, Gullette, Hahn, Hart, Hopkins, Kincer, Kubale, Lovelace, McGuire, McReynolds, Mackey, Newberry, Nunn, Ockerman, Rayburn, Reed, C. R. Reynolds, R. Reynolds, Richards, Smith, Sowards, Stith, Tanner, Tinsley, Ed Thomas, S. R. Thomas, Weintraub, Wilson, Wirsch, Young; Nays, 37—Bach, Baumgardner, Breckinridge, Brown, Buckner, Burke, Burress, Crecelius, M. W. Cook, P. W. Cornett, P. F. Davis, Dempsey, Duff, Farmer, Ford, Gay, Greene, Hale, Haley, Hall, Hinkle, Hislope, Hodges, Howard, Huddleston, H. N. Johnson, Kingsbury, Lyon, Moore, Parrish, Peace, Raybourne, Render, Searcy, Steiger, Wells, Williams.

SB 322 was passed and the title agreed to.

Representative Fitzpatrick moved that the vote by which **SB 322** was passed be reconsidered and said motion laid on the table. Agreed.

Speaker Weintraub resumed the Chair.

Senate Message

Senate message announcing passage of **HB 300, HB 306, HB 307, HB 311, HB 26, HB 357, HB 443, HB 102, HB 103, HB 104, HB 308, HB 309, HB 310, HB 71, HB 96** with Senate Amendment.

Orders of the Day

SB 51 taken from Orders of the Day on recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Representative Steiger moved to amend **SB 51** as follows:

Amendment No. 1:

Amend printed copy of **SB 51** on page 1, section 1, line 2 by inserting after the word "who" the following phrase: "was a resident of Kentucky at least six months prior to entry into the Armed Forces and"

Adopted.

Representative Steiger moved to amend **SB 51** as follows:
Amendment No. 2:
Amend printed copy of **SB 51** on page 1, section 1, line 3 by inserting after the word "school" the following: "located in the Commonwealth of Kentucky."

Adopted.

Amendment No. 3:

Amend printed copy of **SB 51** on page 1, section 1, lines 1-13 by deleting said lines 1 through 13 and inserting in lieu thereof:

"Section 1. Any veteran of World War II or the Korean conflict who was a resident of Kentucky at time of entry into service, who has been graduated with an LLB, from a law school approved by the American Bar Association or by the American Association of Law Schools, shall be permitted to take the Kentucky Bar examinations, and upon passage shall be granted a license to practice law by the Clerk of the Court of Appeals, provided he was enrolled or did enroll in any such approved law school during the years 1941 through 1945 or 1950 through 1952, and was subsequently graduated therefrom."
Representative Williams moved that **SB 51** be tabled. A roll call was taken on this motion and the vote was: Yeas, 23—Breckinridge, Burke, Burress, Bush, Casey, Clore, M. W. Cook, Farmer, Ford, Haley, Huddleston, Lovelace, Lyon, Moore, Ockerman, Raybourne, Searcy, Smith, Wathen, Wells, Willen, Williams, Wilson; Nays, 36—Bartley, Baumgardner, Brown, Buchanan, Coffey, P. W. Cornett, Cottengim, W. F. Davis, Dempsey, Finney, Fitzpatrick, Gay, Hale, Hart, Hinkle, Hodges, Howard, H. Nick Johnson, Kubale, Lowman, McCallum, McReynolds, Mackey, Newberry, Parrish, Reed, C. R. Reynolds, R. Reynolds, Richards, Sowards, Steiger, Stith, Ed Thomas, S. R. Thomas, Walsh, Young.

Rejected.

On roll call for passage of **SB 51** as amended, the vote was: Yeas, 42—Bach, Baumgardner, Brown, Buchanan, Buckner, Bush, Chaudoin, Coffey, P. W. Cornett, Cottengim, W. F. Davis, Dempsey, Everett, Finney, Fitzpatrick, Gay, Hale, Hinkle, Hodges, Howard, H. N. Johnson, Kincer, Kubale, Lowman, McCallum, McReynolds, Mackey, Newberry, Rayburn, Reed, C. R. Reynolds, R. Reynolds, Richards, Sowards, Steiger, Stith, Tinsley, Ed Thomas, S. R. Thomas, Walsh, Willen, Wirsch; Nays, 24—Arnold, Breckinridge, Burke, Burress, Casey, M. W. Cook, P. F. Davis, Ford, Haley, Henry, Huddleston, Kingsbury, Lovelace, Lyon, McGuire, Moore, Nunn, Ockerman, Raybourne, Searcy, Smith, Wathen, Wells, Williams.

SB 51 was defeated.

Representative Huddleston moved that the vote by which **SB 51** was defeated be reconsidered and said motion laid on the table. Agreed.

HB 96 taken from the Clerk. Representative Gullette moved that the House concur in the following Senate Amendment:
Amendment No. 1:
On page 2, line 27, by adding the following after line 27:

"Section 304.095 of the Kentucky Revised Statutes is amended to read as follows:

"(1) Duplicate copies of legal process against an insurer for whom the commissioner is designated attorney shall be served upon him by any person competent to serve a summons. The person serving the process shall pay him at the time of service a fee as provided for under KRS 304.460 which shall be taxed as costs in this action. In the abscence of the commissioner, process may be served on his deputy or any other authorized individual then in charge of the Department.

"(2) The commissioner shall forthwith send one of the copies of the process by certified mail to the person designated for the purpose by the insurer in its most recent such designation filed with the commissioner or to the insurer at its last or principal office if no such designation is on file, and return the other copy to the plaintiff with his acknowledgment of service.

"(3) The commissioner shall keep a record of the day and hour of service of all such legal process.

"Section 304.489 of the Kentucky Revised Statutes is amended to read as follows:

"(1) The commissioner shall designate at least one but not more than five banks or trust companies in each county of this state containing a city of the first class whose vaults shall be used as depositories for assets of insurers deposited under this code.

"(2) Each insurer depositing assets shall, at its own expense, rent space therefor in the vaults of the banks or trust companies so designated.

"Section 304.503 of the Kentucky Revised Statutes is amended to read as follows:

"(1) Insurers maintaining deposits of assets in this state under KRS 304.475 to 304.504 shall pay into the treasury of the Commonwealth, through the office of the commissioner of insurance, $10,000.00 each calendar year as a custodial expense fund. Such funds shall be used in paying the custodian's salary, premium on his bond and other necessary expenses incident to the office used by the custodian.

"(2) The portion of such expense fund to be paid by each such insurer shall be in the same approximate proportion as the amount such insurer had on deposit on December 31 of the preceding year bears to the total such deposits of all insurers as of December 31 of the preceding year. The commissioner shall assess each insurer for his proportionate share of such expense fund. All assessments shall be deposited with the State Treasurer, who shall credit the amount so deposited to the Custodian of Securities fund to be used for the maintenance of the office of the Custodian of Securities. If any amount of the fund for the maintenance of the office of the Custodian remains unexpended at the end of any fiscal year, that amount shall not lapse, but shall remain credited to the Custodian of Securities account and may be used during any succeeding year. The minimum charge for each company shall be $2.00."

The Senate respectfully requests the concurrence of the House.

Senate Amendment to **HB 96** concurred in.

On roll call for passage, the vote was: Yeas, 46—Arnold, Bach, Barton, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Bush, Casey, Combs, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Fitzpatrick, Ford, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hopkins, Howard, Kingsbury, Kubale, Lovelace, McCallum, Parrish, Rayburn, Reed, Richards, Searcy, Steiger, Stith, Tanner, S. R. Thomas, Wathen, Wells, Wirsch, Young; Nays, 2—Dempsey, Hislope.

The following Senate Title Amendment was adopted by the House by voice vote:

Title Amendment:

On page 1, by striking the period at the end of the title and adding the following: "KRS 304.095, KRS 304.489 and KRS 304.503."

HB 96 was passed and the title agreed to.

The Speaker vacated the Chair and asked Representative Howard to preside, while House was at ease.

Speaker Weintraub resumed the Chair.

Motions

Representative Brown moved that the House adjourn until 10:00 a.m., March 21. Representative Buchanan moved to amend Mr. Brown's motion to set the time for convening at 9 a.m., March 21. Rejected.

On roll call for adjournment, the vote was: Yeas, 31—Breckinridge, Brown, Buchanan, Buckner, Burress, Clore, M. W. Cook, Crecelius, P. F. Davis, Ford, Greene, Hale, Hall, Hinkle, Hislope, H. N. Johnson, Kingsbury, Lovelace, Lyon, McCallum, Parrish, Raybourne, C. R. Reynolds, R. Reynolds, Searcy, Steiger, Wathen, Wells, Willen, Williams, Young; Nays, 23—Billington, Bush, Casey, Combs, W. F. Davis, Dempsey, Everett, Fitzpatrick, Gullette, Hahn, Henry, Hopkins, Howard, Kubale, McGuire, Mackey, Ockerman, Rayburn, Ray, Reed, Richards, Stith, Whitehead.

Rejected.

Recess

Representative Everett moved that the House recess until 8:00 p.m. Agreed. At the hour of 8 p.m., the Speaker resumed the Chair and called the House to order.

Orders of the Day

SB 120 taken from Orders of the Day on recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 60—Arnold, Bach, Bartley, Barton, Breckinridge, Brown, Buckner, Burke, Burress, Bush, Casey, Clore, Coffey, Combs, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Farmer, Fields, Fitzpatrick, Ford, Greene, Gullette, Hahn, Hale, Haley, Hart, Henry, Hinkle, Hislope, Hopkins, Howard, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lyon, McCallum, McGuire, McReynolds, Newberry, Ockerman, Qualls, Ratcliffe, Raybourne, Rayburn, R. Reynolds, Richards, Searcy, Smith, Steiger, Tanner, Wathen, Wells, Willen, Wilson, Wirsch, Young; Nays, 3—Everett, Mackey, Parrish.

SB 120 was passed and the title agreed to.

SB 71 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 62—Arnold, Bach, Barton, Breckinridge, Buchanan, Buckner, Burke, Burress, Bush, Casey, Clore, Coffey, Combs, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Fields, Fitzpatrick, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Huddleston, H. N. Johnson, Kubale, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Qualls, Ratcliffe, Ray, Raybourne, Rayburn, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Walsh, Wathen, Whitehead, Willen, Wirsch, Young; Nays, 1—Howard.

SB 71 was passed and the title agreed to.

SB 168 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 64—Arnold, Bach, Bartley, Barton, Breckinridge, Brown, Buckner, Burke, Burress, Bush, Clore, Coffey, Combs, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Fields, Fitzpatrick, Ford, Gullette, Hahn, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, Kincer, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Qualls, Ratcliffe, Raybourne, Rayburn, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, S. R. Thomas, Walsh, Wathen, Wells, Willen, Wilson, Wirsch, Young; Nays, 0.

SB 168 was passed and the title agreed to.

SB 285 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 71—Arnold, Bach, Bartley, Barton, Breckinridge, Brown, Buckner, Burke, Burress, Bush, Casey, Clore, Coffey, Combs, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Fields, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, H. N. Johnson, Kincer, Kubale, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Qualls, Ratcliffe, Raybourne, Rayburn, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, S. R. Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Wilson, Wirsch, Young; Nays, 0.

SB 285 was passed and the title agreed to.

The Speaker vacated the Chair and invited Representative McGuire to preside.

SB 80 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 68—Arnold, Bach, Bartley, Barton, Breckinridge, Brown, Buchanan, Buckner, Burke, Burress, Casey, Clore, Coffey, Combs, Cottengim, Crecelius, P. F. Davis, Dempsey, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hopkins, Howard, Huddleston, Kincer, Kingsbury, Kubale, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Qualls, Ratcliffe, Raybourne, Rayburn, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, S. R. Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Wilson, Wirsch; Nays, 0.

SB 80 was passed and the title agreed to.

SB 166 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 61—Arnold, Bach, Bartley, Barton, Billington, Breckinridge, Brown, Buchanan, Buckner, Burke, Burress, Casey, Clore, Coffey, Combs, Cottengim, Crecelius, P. F. Davis, Everett, Fitzpatrick, Ford, Gay, Greene, Hahn, Haley, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Kincer, Kubale, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Ockerman, Parrish, Ratcliffe, Raybourne, Rayburn, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Tanner, S. R. Thomas, Walsh, Wathen, Wells, Whitehead, Willen, Wilson, Wirsch; Nays, 0.

SB 166 was passed and the title agreed to.

SB 128 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 57—Arnold, Bach, Bartley, Billington, Brown, Buchanan, Burke, Burress, Bush, Casey, Clore, Coffey, Combs, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Everett, Farmer, Fitzpatrick, Gay, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hopkins, Howard, Kincer, Kingsbury, Kubale, Lowman, McCallum, McGuire, Mackey, Moore, Ockerman, Qualls, Raybourne, Rayburn, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, S. R. Thomas, Walsh, Willen, Wilson, Wirsch; Nays, 4—Breckinridge, Dempsey, Ford, Wathen.

SB 128 was passed and the title agreed to.

Representative Everett moved that **SB 314** be taken from Orders of the Day, read for the third time and placed on passage. Agreed.

Representative Ockerman questioned the legality of **SB 314**, stating that **HB 64**, an identical bill, had been defeated March 3.

The Chair ruled that it would require fifty-one votes to place **SB 314** on passage.

Representative Fitzpatrick moved that the rules be suspended and that **SB 314** be placed on passage. On demand of the House, a roll call was taken and the vote was: Yeas, 28—Bartley, Brown, Buckner, Bush, Coffey, Combs, W. F. Davis, Dempsey, Everett, Greene, Gullette, Hahn, Hale, Hall, Hart, Henry, Howard, H. N. Johnson, Kingsbury, Lowman, Rayburn, Reed, Richards, Steiger, Stith, Walsh, Wilson, Wirsch; Nays, 17—Arnold, Breckinridge, Buchanan, Burke, M. W. Cook, Cottengim, Crecelius, Farmer, Fitzpatrick, Gay, McGuire, Ockerman, Parrish, Ray, R. Reynolds, Sowards, Williams.

Motion rejected.

The Speaker vacated the Chair and asked Representative Whitehead to preside.

SB 244 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read by title only and placed on passage. Agreed. Read by title only and the roll was called. The vote was: Yeas, 60—Arnold, Bach, Bartley, Barton, Breckinridge, Brown, Buchanan, Buckner, Burke, Burress, Casey, Coffey, Combs, Crecelius, P. F. Davis, Dempsey, Everett, Farmer, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hopkins, Howard, Huddleston, H. N. Johnson, Kincer, Kubale, Lyon, McCallum, McGuire, Mackey, Moore, Newberry, Ockerman, Parrish, Qualls, Ratcliffe, Ray, Raybourne, Rayburn, Reed, Searcy, Smith, Stith, Tanner, Walsh, Wells, Willen, Wirsch, Young; Nays, 0.

SB 244 was passed and the title agreed to.

SB 217 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Everett moved that it be read by title only and placed on passage. Agreed.

Representative Ockerman moved to amend **SB 217** as follows:

Amend printed copy of **SB 217** on page 2, section 2, line 22 & 23 by striking the words "with existing facilities" and insisting in lieu thereof the following "after reasonable demand"

Adopted.

SB 217 as amended read for the third time.

On roll call, the vote was: Yeas, 54—Arnold, Bach, Barton, Breckinridge, Burke, Bush, Casey, Coffey, Combs, M. W. Cook, Crecelius, P. F. Davis, W. F. Davis, Everett, Fitzpatrick, Ford, Gay, Greene, Gullette, Haley, Hall, Hart, Henry, Hinkle, Hopkins, Howard, Huddleston, Kincer, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Ockerman, Parrish, Qualls, Ratcliffe, Ray, Raybourne, Reed, C. R. Reynolds, R. Reynolds, Searcy, Smith, Steiger, Tanner, Walsh, Wathen, Wells, Whitehead, Willen, Wirsch; Nays, 1—Dempsey.

SB 217 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 217** was passed be reconsidered and said motion laid on the table. Agreed.

SB 106 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 64—Arnold, Bach, Barton, Breckinridge, Buchanan, Buckner, Burke, Burress, Casey, Coffey, Combs, M. W. Cook, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hopkins, Howard, Huddleston, Kincer, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Newberry, Ockerman, Parrish, Qualls, Ratcliffe, Ray, Raybourne, Rayburn, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Walsh, Wathen, Wells, Whitehead, Wirsch; Nays, 0.

SB 106 was passed and the title agreed to.

The Speaker resumed the Chair.

SB 167 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 58—Arnold, Bach, Barton, Breckinridge, Burke, Burress, Bush, Casey, Coffey, Combs, M. W. Cook, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Henry, Hinkle, Hislope, Hopkins, Huddleston, Kingsbury, Lyon, McCallum, McGuire, Mackey, Newberry, Ockerman, Parrish, Qualls, Ratcliffe, Ray, Raybourne, Rayburn, Reed, C. R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Walsh, Wells, Whitehead, Williams, Wirsch, Young; Nays, 0.

SB 167 was passed and the title agreed to.

SB 235 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett. Motion duly seconded and agreed to by the House.

On roll call, the vote was: Yeas, 58—Arnold, Bach, Barton, Breckinridge, Buchanan, Burke, Bush, Casey, Coffey, Combs, M. W. Cook, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Fitzpatrick, Gay, Gullette, Hahn, Hale, Haley, Hall, Henry, Hinkle, Hopkins, Howard, Huddleston, Kingsbury, Lowman, Lyon, McGuire, Mackey, Moore, Nunn, Ockerman, Parrish, Qualls, Ratcliffe, Ray, Raybourne, Rayburn, Reed, C. R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Walsh, Wathen, Weintraub, Wells, Williams, Wirsch, Young; Nays, 2—Ford, Newberry.

SB 235 was passed and the title agreed to.

Representative Marlow Cook moved that the vote by which **SB 235** was passed be reconsidered and said motion laid on the table.

Agreed.

Representative Everett moved that when the House adjourns it do so until 10:00 a.m., March 21. Agreed.

SB 43 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 52—Arnold, Bach, Barton, Breckinridge, Buckner, Burke, Bush, Combs, Crecelius, P. F. Davis, W. F. Davis, Farmer, Fitzpatrick, Ford, Gay, Greene, Hahn, Hale, Haley, Hall, Hart, Henry, Hopkins, Howard, Huddleston, Kingsbury, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Qualls, Ray, Raybourne, Reed, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Wells, Whitehead, Willen, Williams, Wirsch, Young; Nays, 2—Buchanan, Wathen.

SB 43 was passed and the title agreed to.

Representative Everett moved that the House adjourn until 10:00 a.m., March 21. Agreed.

FRIDAY, MARCH 21, 1958

SIXTIETH LEGISLATIVE DAY

The House was called to order by the Speaker, Mr. Weintraub.

Invocation by the Reverend Edward L. Tullis, of the First Methodist Church, of Frankfort.

The roll was called. All members present except Billington, Buchanan, Buckner, Burress, Casey, Clore, Paul Cornett, Cottengim, Farmer, Fields, Gay, Hislope, Hodges, Isler, H. Nick Johnson, Huston Johnson, Kubale, Lovelace, Lowman, Miller, Ratcliffe, Reed, Rev. Tinsley, Wilson, Wirsch.

Absent members were excused on motion of Representative Chaudoin.

Representative Breckinridge moved that the reading of the Journal be dispensed with and the same approved. Agreed.

Orders of the Day

SB 189 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Searcy moved that it be read for the third time and placed on passage. Agreed. **SB 189** read for the third time.

On roll call, the vote was: Yeas, 72—Anderson, Arnold, Bach, Bartley, Breckinridge, Brown, Bush, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Fields, Finney, Fitzpatrick, Ford, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hopkins, Howard, Huddleston, Kincer, Kingsbury, Lowman, Lyon, McCallum, McGuire, McReynolds, Moore, Newberry, Nunn, Ockerman, Parrish, Peace, Qualls, Rausch, Raybourne, Rayburn, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tanner, S. R. Thomas, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Young; Nays, 0.

SB 189 was passed and the title agreed to.

Reconsideration

Representative Fitzpatrick moved that the vote by which the "clincher" motion on **SB 314** was applied be reconsidered.

Representative Young moved to table the motion to reconsider.

On roll call, the vote was: Yeas 16—Arnold, Breckinridge, M. W. Cook, Crecelius, Ford, McGuire, McReynolds, Ockerman, Rausch, Ray, Raybourne, Tanner, Wathen, Wells, Williams, Young; Nays, 41—Bach, Bartley, Baumgardner, Brown, Buckner, Bush, Chaudoin, Clore, Coffey, Combs, Bill Cornett, P. W. Cornett, Cottengim, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hale, Haley, H. N. Johnson, Kincer, Kingsbury, Lowman, Lyon, Mackey, Newberry, Qualls, Rayburn, Reed, Render, R. Reynolds, Richards, Stith, E. Thomas, Tinsley, Walsh.

Motion lost.

The Speaker vacated the Chair and asked Representative Lowman to preside.

On roll call for reconsideration of the "clincher" motion on **SB 314**, the vote was: Yeas, 51—Anderson, Bach, Bartley, Baumgardner, Brown, Buchanan, Buckner, Bush, Chaudoin, Clore, Coffey, Combs, Bill Cornett, P. W. Cornett, Cottengim, Dempsey, Duff, Everett, Fields, Finney, Fitzpatrick, Ford, Greene, Hahn, Hale, Hall, Hart, Henry, Hinkle, H. N. Johnson, Kincer, Kingsbury, Lowman, Lyon, McReynolds, Mackey, Newberry, Qualls, Rayburn, Reed, Render, R. Reynolds, Richards, Sowards, Stith, Tinsley, Ed Thomas, Walsh, Weintraub, Willen, Wirsch; Nays, 14—Arnold, Barton, Breckinridge, M. W. Cook, Crecelius, McGuire, Ockerman, Ray, Rausch, C. R. Reynolds, Tanner, Wathen, Wells, Williams.

Motion adopted.

Speaker Weintraub resumed the Chair.

Representative Fitzpatrick moved that **SB 314** be placed on passage.

Representative Breckinridge moved that action on **SB 314** be postponed indefinitely. On roll call for postponement, the vote was: Yeas, 24—Arnold, Barton, Breckinridge, E. E. Cook, M. W. Cook, Crecelius, P. F. Davis, Finney, Ford, Huddleston, McGuire, Ockerman, Parrish, Rausch, Ray, Raybourne, C. R. Reynolds, Searcy, Smith, Tanner, Wells, Willen, Williams, Young; Nays, 38—Bach, Bartley, Brown, Buchanan, Buckner, Bush, Coffey, Bill Cornett, P. W. Cornett, Cottengim, Duff, Everett, Fitzpatrick, Gay, Greene, Hahn, Hale, Hart, Hodges, H. N. Johnson, Kingsbury, Lovelace, Lowman, Lyon, McReynolds, Mackey, Newberry, Qualls, Rayburn, Render, R. Reynolds, Richards, Sowards, Stith, E. Thomas, Tinsley, Wilson, Wirsch.

Rejected.

Mr. Fitzpatrick again moved to place **SB 314** on passage. Agreed.

Mr. Fitzpatrick moved the Previous Question. Agreed.

On roll call, the vote was: Yeas, 39—Bach, Bartley, Brown, Buchanan, Buckner, Bush, Casey, Chaudoin, Coffey, Bill Cornett, Cottengim, Dempsey, Duff, Everett, Fields, Fitzpatrick, Gay, Greene, Gullette, Hahn, Hale, Hart, Hodges, H. N. Johnson, Kingsbury, Lovelace, Lowman, Mackey, Newberry, Qualls, Rayburn, Reed, Render, R. Reynolds, Stith, Tinsley, Ed Thomas, Weintraub, Wirsch; Nays, 27—Arnold, Breckinridge, Burke, Burress, Combs, M. W. Cook, Crecelius, Finney, Ford, Hislope, Huddleston, Lyon, McGuire, Nunn, Ockerman, Rausch, Ray, Raybourne, C. R. Reynolds, Searcy, Smith, Tanner, Wathen, Wells, Willen, Williams, Young.

SB 314 was defeated.

Representative Williams moved that the vote by which **SB 314** was defeated be reconsidered and said motion be laid on the table. Agreed.

Reconsideration

Representative Williams moved that the vote by which **SB 51** was defeated be reconsidered. Agreed. Mr. Williams then moved that the vote by which Amendment No. 1 and Amendment No. 2 were adopted be reconsidered. Agreed. Mr. Williams moved that Amendments No. 1 and No. 2 be withdrawn. Agreed.

Representative Williams moved to amend **SB 51** as follows:

Amendment No. 3:

On page 1, section 1, lines 1 to 13 by deleting said lines 1 through 13 and inserting in lieu thereof:

"Section 1. Any veteran of World War II or the Korean conflict who was a resident of Kentucky at time of entry into service, who has been graduated with an LLB, from a law school approved by the American Bar Association or by the American Association of Law Schools, shall be permitted to take the Kentucky Bar Examination, and upon passage shall be granted a license to practice law by the Clerk of the Court of Appeals, provided he was enrolled or did enroll in any such approved law school during the years 1941 through 1945 or 1950 through 1952, and was subsequently graduated therefrom."

Adopted.

Representative Williams moved the Previous Question. Agreed.

On roll call, the vote was: Yeas, 78—Anderson, Arnold, Bach, Bartley, Barton, Baumgardner, Breckinridge, Brown, Buchanan, Buckner, Burke, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McGuire, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne Rayburn, Reed, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Tanner, Ed Thomas, S. R. Thomas, Walsh, Whitehead, Willen, Williams, Wirsch; Nays, 0.

SB 51 was passed and the title agreed to.

Representative Breckinridge moved that the vote by which **SB 51** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 204 taken from Orders of the Day, read for the third time by title only and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 74—Anderson, Arnold, Bach, Bartley, Breckinridge, Brown, Buchanan, Buckner, Burke, Casey, Chaudoin, Clore, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Fields, Finney, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McGuire, Mackey, Moore, Newberry, Nunn, Ockerman, Parrish, Rausch, Ray, Rayburn, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tanner, Tinsley, S. R. Thomas, Walsh, Wells, Williams, Wirsch, Young; Nays, 0.

SB 204 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 204** was passed be reconsidered and said motion laid on the table. Agreed.

Introductions of Resolutions

Representative Breckinridge moved suspension of the rules for the purpose of introducing a resolution. Agreed.

Representative Breckinridge introduced and moved the adoption of **HR 131.** Adopted.

HR 131, A RESOLUTION authorizing and directing a study of medical service plans.

Be it Resolved by the House of Representatives of the Commonwealth of Kentucky:

Section 1. The Governor shall appoint a Commission on Medical Service Plans (hereinafter referred to as the Commission) to make a study with reference to the provisions for, and the conduct of, the operation of the various health and accident, medical and hospital, welfare trust fund, insurance and other programs, public and private, directed at the provision of, or payment for, medical treatment and services, hospitalization, drugs, and medical supplies, including such provisions, practices and procedures as may exist with reference to the determination of need and the selection of physicians and hospitals for the treatment of patients.

Section 2. The Commission shall be composed of one member each selected from a list of three names submitted to the Governor by the following: The Kentucky State Medical Association, the United Mine Workers, the Kentucky State Hospital Association, the American Federation of Labor, the Kentucky Pharmaceutical Association, the Congress of Industrial Organization, the Kentucky Farm Bureau, the Chesapeake and Ohio Railroad Employees Association, and two representatives to be selected by the Commission as representing the interests of such insurance groups as may be active in the field. The

Commissioner of Public Health shall be an ex officio member of the Commission, and the Legislative Research Commission shall make its service and facilities available to the Commission in the conduct of its study and the preparation of its reports, as shall the medical staff of the University of Kentucky. The Commission shall, commencing May 15, 1958, publish semi-annual progress reports outlining the subject matter under consideration, such areas of agreement as may or may not have been arrived at by the interested parties, and such other factual data as may prove useful in the formulation of public opinion. It shall make a final report of its findings not later than November 15, 1959, for forwarding to the members of the General Assembly. Its final report shall include such recommendations as a majority of its members may be able to agree, and such minority reports as may be indicated.

The Speaker vacated the Chair and asked Representative H. Nick Johnson to preside.

Orders of the Day

SB 296 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 76—Anderson, Bach, Bartley, Barton, Baumgardner, Brown, Buchanan, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, W. F. Davis, Dempsey, Duff, Farmer, Finney, Fitzpatrick, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, Isler, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McReynolds, Mackey, Moore, Newberry, Nunn, Parrish, Peace, Qualls, Rausch, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, S. R. Thomas, Whitehead, Willen, Wirsch, Young; Nays, 4—Breckinridge, Ford, Ockerman, Wells.

SB 296 was passed and the title agreed to.

Representative Brown moved to amend the title of **SB 296** as follows:

"This Act shall be known as the Albert Dempsey Act."

The Speaker pointed out that if the bill carried an amendment by the House there might not be time for it to be concurred in in the Senate, and would in effect defeat the bill.

Representative Brown then withdrew the motion to amend.

SB 348 was taken from Orders of the Day, read for the third time and placed on passage, on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 79—Anderson, Bach, Bartley, Barton, Baumgardner, Breckinridge, Brown, Buchanan, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Fields, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Isler, H. N. Johnson, Kincer, Kingsbury, Lovelace, Lyon, McReynolds, Moore, Newberry, Nunn, Ockerman, Parrish, Rausch, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Tinsley, Ed Thomas, Wathen, Wells, Whitehead, Willen, Wilson, Wirsch, Young; Nays, 0.

SB 348 was passed and the title agreed to.

SB 237 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 68—Anderson, Bach, Bartley, Barton, Baumgardner, Brown, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Farmer, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hislope, Hodges, Hopkins, Howard, Isler, H. N. Johnson, Kincer, Lyon, McReynolds, Nunn, Ockerman, Parrish, Qualls, Rausch, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, Searcy, Smith, Sowards, Steiger, Stith, Tinsley, Whitehead, Willen, Wilson, Wirsch; Nays, 0.

SB 237 was passed and the title agreed to.

SB 144 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 69—Anderson, Bach, Bartley, Barton, Baumgardner, Brown, Buchanan, Burke, Burress, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Duff, Everett, Farmer, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hart, Henry, Hislope, Hodges, Howard, Huddleston, Isler, H. N. Johnson, Kincer, Kingsbury, Kubale, Lyon, Mackey, Moore, Nunn, Parrish, Qualls, Rausch, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Tinsley, Wathen, Whitehead, Wilson, Wirsch, Young; Nays, 0.

SB 144 was passed and the title agreed to.

SB 317 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett. Duly seconded and agreed to by the House.

On roll call, the vote was: Yeas 54—Anderson, Bach, Bartley, Baumgardner, Brown, Buchanan, Burress, Bush, Casey, Chaudoin, Clore, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius,

W. F. Davis, Duff, Everett, Farmer, Finney, Fitzpatrick, Gay, Gullette, Hahn, Hale, Hall, Hart, Henry, Hodges, Hopkins, Howard, Isler, H. N. Johnson, Kincer, Lyon, McReynolds, Moore, Parrish, Qualls, Rayburn, Reed, Render, C. R. Reynolds, R. Reynolds, Richards, Steiger, Stith, Tinsley, Ed Thomas, Wathen, Wirsch, Young; Nays, 17—Breckinridge, Burke, E. E. Cook, P. F. Davis, Ford, Haley, Hislope, Kingsbury, Lovelace, Ockerman, Rausch, Raybourne, Searcy, Sowards, Tanner, Williams, Wilson.

SB 317 was passed and the title agreed to.

Representative Wirsch moved that the vote by which **SB 317** was passed be reconsidered and said motion laid on the table. Agreed.

SB 176 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett. Duly seconded and agreed to by the House.

On roll call, the vote was: Yeas, 67—Anderson, Bach, Bartley, Barton, Baumgardner, Breckinridge, Brown, Buchanan, Buckner, Burress, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Duff, Farmer, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hall, Hart, Henry, Hinkle, Hislope, Hopkins, Howard, H. N. Johnson, Kincer, Kubale, Lovelace, Lyon, McCallum, McReynolds, Newberry, Parrish, Qualls, Ray, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Whitehead, Wilson, Young; Nays, 0.

SB 176 was passed and the title agreed to.

SR 61 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for adoption, the vote was: Yeas, 58—Anderson, Bach, Bartley, Barton, Baumgardner, Breckinridge, Brown, Buchanan, Buckner, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Everett, Farmer, Finney, Fitzpatrick, Ford, Greene, Hahn, Hale, Haley, Hart, Henry, Hinkle, Hislope, Hopkins, Howard, Isler, Kincer, Kingsbury, Lyon, Newberry, Ockerman, Parrish, Qualls, Rausch, Raybourne, Rayburn, Render, C. R. Reynolds, Smith, Sowards, Steiger, Stith, Tinsley, Ed Thomas, Wilson; Nays, 0.

SR 61 was adopted.

The Speaker vacated the Chair and appointed Representative Rayburn to preside.

SB 315 taken from Orders of the Day, read for the third time by title only and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 64—Anderson, Arnold, Bach, Bartley, Barton, Breckinridge, Brown, Buchanan, Burke, Burress, Bush, Casey, Clore, Coffey, Combs, M. W. Cook, Bill Cornett, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Finney, Fitzpatrick, Ford, Gay, Gullette, Hahn, Hale, Haley, Henry, Hinkle, Hislope, Hopkins, Howard, Kincer, Kingsbury, Lovelace, Lyon, Moore, Ockerman, Parrish, Qualls, Rausch, Ray, Raybourne, Rayburn, Render, C. R. Reynolds, Richards, Smith, Sowards, Steiger, Stith, Tanner, Ed Thomas, Wells, Whitehead, Williams, Wilson; Nays, 0.

SB 315 was passed and the title agreed to.

Senate Message

Senate message announcing passage of **HB 523, HB 326, HB 265, HB 312, HB 223, HB 217, HB 216, HB 194, HB 215, HB 208** with Senate Amendment, **HB 498** with Senate Amendment, **HB 36, HB 172, HB 171, HB 369** with Senate Amendment, **HR 36, HR 18, HR 17, HR 16, HR 15.**

Orders of the Day

SR 50 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for adoption, the vote was: Yeas, 41—Arnold, Bach, Bartley, Buchanan, Buckner, Bush, Casey, Clore, Combs, M. W. Cook, P. F. Davis, W. F. Davis, Everett, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hale, Hart, Henry, H. N. Johnson, Kincer, Lowman, Lyon, McReynolds, Ockerman, Qualls, Ray, Rayburn, Reed, Render, C. R. Reynolds, Richards, Smith, Steiger, Stith, Tinsley, Williams, Wirsch, Young; Nays, 11—Breckinridge, P. W. Cornett, Farmer, Ford, Hinkle, Howard, Lovelace, McGuire, Tanner, Wells, Wilson.

SR 50 was rejected.

SR 51 taken from Orders of the Day. Representative Everett moved that it be placed on passage. Agreed.

On roll call, the vote was: Yeas, 39—Bach, Bartley, Buchanan, Buckner, Bush, Casey, Clore, Combs, M. W. Cook, P. F. Davis, W. F. Davis, Everett, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hale, Hart, Henry, Hinkle, Hopkins, H. N. Johnson, Kincer, Lowman, Lyon, McReynolds, Ockerman, Qualls, Rayburn, Reed, C. R. Reynolds, Richards, Stith, Tinsley, Williams, Wilson, Wirsch, Young; Nays, 12—Breckinridge, P. W. Cornett, Farmer, Ford, Howard, Lovelace, Ray, Render, Smith, Steiger, Tanner, Wells.

SR 51 was rejected.

SR 52 taken from Orders of the Day. Representative Everett moved that it be placed on passage. Agreed.

On roll call, the vote was: Yeas, 30—Bach, Bartley, Buchanan, Buckner, Bush, Casey, Clore, Combs, W F. Davis, Everett, Farmer, Finney, Fitzpatrick, Gullette, Hahn, Hale, Hart, Henry, H. N. Johnson, Kincer, McReynolds, Qualls, Rayburn, Reed, C. R. Reynolds, Richards, Stith, Tinsley, Williams, Wirsch; Nays, 23—Breckinridge, M. W. Cook, P. W. Cornett, P. F. Davis, Ford, Greene, Hinkle, Hopkins, Howard, Kingsbury, Lovelace, Lowman, Lyon, McGuire, Ockerman, Ray, Render, Smith, Steiger, Tanner, Wells, Wilson, Young.

SR 52 rejected.

SR 56 taken from Orders of the Day. Representative Everett moved that it be placed on passage. Agreed.

On roll call, the vote was: Yeas, 42—Arnold, Bach, Bartley, Buchanan, Buckner, Bush, Casey, Clore, Combs, M. W. Cook, P. F. Davis, W. F. Davis, Everett, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hale, Hart, Henry, Hinkle, H. N. Johnson, Kincer, Lowman, Lyon, McReynolds, Ockerman, Qualls, Rausch, Ray, Rayburn, Reed, C. R. Reynolds, Richards, Smith, Steiger, Stith, Tanner, Tinsley, Williams, Wirsch; Nays, 10—Breckinridge, P. W. Cornett, Farmer, Ford, Howard, Lovelace, McGuire, Render, Wilson, Young.

SR 56 rejected.

SR 73 taken from Orders of the Day. Representative Everett moved that it be placed on passage. Agreed.

On roll call, the vote was: Yeas, 49—Arnold, Bach, Bartley, Buchanan, Buckner, Bush, Casey, Clore, Combs, M. W. Cook, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hale, Hart, Henry, Hinkle, Hopkins, H. N. Johnson, Kincer, Lowman, Lyon, McGuire, McReynolds, Ockerman, Qualls, Rausch, Ray, Rayburn, Reed, Render, C. R. Reynolds, Richards, Smith, Steiger, Stith, Tanner, Tinsley, Williams, Wilson, Wirsch, Young; Nays, 5—Breckinridge, P. W. Cornett, Ford, Howard, Lovelace.

Adopted.

SR 79 taken from Orders of the Day. Representative Everett moved that it be placed on passage. Agreed.

On roll call, the vote was: Yeas, 41—Arnold, Bach, Bartley, Buchanan, Buckner, Bush, Casey, Clore, Combs, P. F. Davis, W. F. Davis, Everett, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hale, Hart, Henry, H. N. Johnson, Kincer, Lowman, Lyon, McReynolds, Ockerman, Qualls, Rayburn, Reed, Render, C. R. Reynolds, Richards, Smith, Steiger, Stith, Tanner, Tinsley, Williams, Wilson, Wirsch, Young; Nays, 9—Breckinridge, M. W. Cook, P. W. Cornett, Farmer, Ford, Hinkle, Howard, Lovelace, Ray.

Rejected for lack of constitutional majority.

HB 498 taken from the Clerk. Representative Everett moved that the House concur in the following Senate Amendment:

HB 498, amended by the Senate on page 2, section 2, lines 1-4 as follows: by striking Section 2 (lines 1 through 4) in its entirety.

House concurred.

On roll call for passage with Senate Amendment, the vote was: Yeas, 62—Anderson, Arnold, Bach, Bartley, Barton, Baumgardner, Breckinridge, Brown, Buchanan, Burress, Bush, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Duff, Everett, Farmer, Ford, Gay, Hahn, Hale, Haley, Henry, Hinkle, Hislope, Howard, H. N. Johnson, Kingsbury, Lovelace, Lowman, Lyon, McGuire, Newberry, Ockerman, Parrish, Qualls, Rausch, Raybourne, Reed, Render, R. Reynolds, Richards, Smith, Sowards, Steiger, Tanner, Walsh, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

HB 498 was passed and the title agreed to.

SB 202 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 71—Arnold, Bartley, Barton, Baumgardner, Brown, Buchanan, Bush, Casey, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Moore, Newberry, Qualls, Rausch, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Tinsley, Ed Thomas, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

SB 202 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 202** was passed be reconsidered and said motion laid on the table. Agreed.

SB 203 taken from Orders of the Day. Representative Everett moved that it be placed on passage. Agreed.

On roll call, the vote was: Yeas, 71—Arnold, Bartley, Barton, Baumgardner, Brown, Buchanan, Bush, Casey, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Moore, Newberry, Qualls, Rausch, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Tinsley, Ed Thomas, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

SB 203 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 203** was passed be reconsidered and said motion laid on the table. Agreed.

SB 212 taken from Orders of the Day. Representative Everett moved that it be read by title only and placed on passage. Agreed.

On roll call, the vote was: Yeas, 71—Arnold, Bartley, Barton, Baumgardner, Brown, Buchanan, Bush, Casey, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Moore, Newberry, Qualls, Rausch, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Tinsley, Ed Thomas, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

SB 212 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 212** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 213 taken from Orders of the Day. Representative Everett moved that it be placed on passage. Agreed.

On roll call, the vote was: Yeas, 71—Arnold, Bartley, Barton, Baumgardner, Brown, Buchanan, Bush, Casey, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Moore, Newberry, Qualls, Rausch, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Tinsley, Ed Thomas, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

SB 213 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 213** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 309 taken from Orders of the Day. Representative Everett moved that it be placed on passage. Agreed.

On roll call, the vote was: Yeas, 71—Arnold, Bartley, Barton, Baumgardner, Brown, Buchanan, Bush, Casey, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Hale, Haley, Hart, Henry, Hinkle, Hislope, Hodges, Hopkins, Howard, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Moore, Newberry, Qualls, Rausch, Raybourne, Rayburn, Reed, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Tinsley, Ed Thomas, Wathen, Wells, Whitehead, Willen, Williams, Wilson, Wirsch, Young; Nays, 0.

SB 309 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 309** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 313 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 61—Arnold, Bartley, Barton, Baumgardner, Breckinridge, Brown, Buchanan, Bush, Casey, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Gay, Greene, Gullette, Hahn, Hall, Hart, Henry, Hislope, Hodges, Hopkins, Howard, H. N. Johnson, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Newberry, Qualls, Rausch, Raybourne, Rayburn, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Steiger, Stith, Tinsley, Ed Thomas, Whitehead, Willen, Williams, Wirsch, Young; Nays, 12—Ford, Haley, Hale, Hinkle, Kincer, Moore, Render, Smith, Tanner, Wathen, Wells, Wilson.

SB 313 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 313** was passed be reconsidered and said motion laid on the table. Agreed.

Senate Message

Senate message announcing passage of **HB 350, HB 351, HB 352, HB 353, HB 295** with Senate Amendment, **HB 29** with Senate Amendment.

Orders of the Day

HB 295 taken from the Clerk. Representative Fitzpatrick moved that the House concur in Senate Amendment. Representative Marlow Cook seconded the motion. Agreed.

Senate Amendment to HB 295

On page 1, section 1, lines 4 and 5, by inserting following the word "which" on line 4 and preceding the word "owns" on line 5, the words "builds or" and by striking the words "or leases" following the word "owns" and preceding the word "and" on line 5;

On page 2, section 3, lines 5, 9, 14, 22, 27 and 32: by inserting on line 5, following the word "insurer" and preceding the word "owned" the words "built or" and by striking the words "or leased" following the word "owned" and preceding the word "and"

By inserting on line 9, following the word "insurer" and preceding the word "owned" the words "built or" and by striking the words "or leased" following the word "owned" and preceding the word "and"

By inserting on line 14 following the word "insurer" and preceding the word "owned" the words "built or" and by striking the words "or leased" following the word "owned" and preceding the word "and"

By striking the word "established" following the word "first" and preceding the word "such" on line 22 and inserting in lieu thereof the words "build or own"

By striking the word "established" following the word "insurer" and preceding the word "such" on line 27 and inserting in lieu thereof the words "has built or owned"

By inserting on line 32 following the word "had" and preceding the word "owned" the words "built or" and by striking the words "or leased" following the word "owned" and preceding the word "and".

On roll call, the vote was: Yeas, 56—Arnold, Bach, Barton, Baumgardner, Breckinridge, Brown, Burke, Burress, Bush, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, Bill Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Finney, Fitzpatrick, Ford, Hahn, Hale, Haley, Hall, Hart, Hislope, Hodges, Hopkins, Howard, Isler, Lowman, Lyon, McCallum, McGuire, McReynolds, Moore, Newberry, Ockerman, Ray, Raybourne, Render, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Tanner, Walsh, Wells, Whitehead, Willen, Young; Nays, 0.

HB 295 was passed as amended and the title agreed to.

Speaker Weintraub resumed the Chair.

Report on Enrolled Bills

The Committee on Enrollment reported that **SB 169, SB 128, SB 167, SB 321, SB 235, SB 106, SB 120, SB 71, SB 168, SB 285, SB 80, SB 191, SB 189, SB 244, SB 322, SB 43, SB 273, SB 217, SB 166, SB 51** had been examined and found correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

The Speaker vacated the Chair and asked Representative Lowman to preside.

Orders of the Day

HB 369 taken from the Clerk. Representative Everett moved that the House concur in Senate Amendment.

Representative Hinkle moved that the House do not concur in Senate Amendment. Agreed. The Clerk was instructed to ask the Senate to recede.

Introduction of Resolutions

Representative Huddleston moved that the rules be suspended for the purpose of introducing a resolution. Agreed.

Representative Huddleston introduced and moved the adoption of **HR 132.** Adopted.

HR 132, by all members of the House, A RESOLUTION extending appreciation to Honorable Morris Weintraub, Speaker of the House of Representatives, Commonwealth of Kentucky.

WHEREAS, the Honorable Morris Weintraub of Newport, Campbell County, Kentucky, has in Sessions past fought valiantly for the institution of rules which would lead to more democratic procedure in the House of Representatives of Kentucky, and

WHEREAS, as a result of his untiring and ceaseless efforts, rules insuring and guaranteeing democratic and deliberative processes were adopted, and

WHEREAS, the Honorable Morris Weintraub was unanimously elected by the House of Representatives of the Commonwealth of Kentucky as its Speaker, to lead and guide it through the 1958 Session of the General Assembly, and

WHEREAS, the Honorable Morris Weintraub, Speaker of the House of Representatives has demonstrated absolute impartiality in his actions and rulings throughout the 1958 Session of the General Assembly of Kentucky, and

WHEREAS, he has at all time given all Representatives representing the people from the entire Commonwealth of Kentucky fair hearing and opportunities in the discussions of the numerous controversial measures that have come before it for consideration, and

WHEREAS, the members of the House of Representatives holding all shades of opinion have repeatedly and openly voiced appreciation for his fairness and patience during this Session:

NOW, THEREFORE,

Be it Resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives for the 1958 Session of the General Assembly of the Commonwealth of Kentucky hereby publicly recognizes the outstanding ability and performance of Morris Weintraub in the exercise of his duties as Speaker of the House of Representatives and expresses its sincere appreciation for his judicious straightforward and impartial decisions as presiding officer of this body.

Section 2. That this Resolution be spread at length upon the Journal of the House of Representatives as a permanent and lasting record of the high esteem in which the Members of this 1958 Session of the House of Representatives hold of the Honorable Morris Weintraub.

Section 3. That copies be delivered to the press for publication so that the public may be properly and sufficiently informed.

Representative Williams introduced and moved the adoption of **HR 133.** Adopted.

HR 133, by all Members of the House of Representatives, A RESOLUTION commending Honorable Addison L. Everett, Majority Floor Leader.

WHEREAS, the smooth functioning of the House of Representatives depends upon the political sagacity, tactfulness and patience of the leadership of the Majority Floor Leader; and

WHEREAS, despite perplexing pressures of official business and great personal tragedy, the Honorable Addison L. Everett has borne the responsibilities and discharged the duties of the high office of Majority Floor Leader with diligence and distinction; and

WHEREAS, said Addison L. Everett has displayed those qualities of leadership worthy of special recognition and commendation,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the House of Representatives of the Commonwealth of Kentucky go on record as extending their commendation and appreciation to the Honorable Addison L. Everett for the sagacious, tactful and patient manner in which he has acquitted himself in the high office of Majority Floor Leader.

The Speaker resumed the Chair to hear a report of Enrollment Committee.

Report on Enrolled Bills

The Committee on Enrollment reported that **SB 144, SB 176, SB 204, SB 237, SB 296, SB 317, SB 348, SR 61** had been examined and found correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Representative Burke read the report of the Committee appointed by the Speaker to comply with **HR 127.**

Senate Message

Senate message announcing passage of **HB 561, HB 562, HB 447, HB 448, HB 480, HB 605, HB 626.**

Orders of the Day

HB 29 taken from the Clerk. Representative Everett moved that House concur in Senate Amendment.

Representative Ed Thomas moved that House do not concur in Senate Amendment. Agreed.

The Clerk was instructed to return **HB 29** to the Senate and ask that body to recede. House agreed.

Representative Everett moved that **SB 243** be taken from Orders of the Day, read by title only and placed on passage. Agreed.

On roll call, the vote was: Yeas, 63—Arnold, Bartley, Barton, Baumgardner, Buchanan, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hart, Henry, Hodges, Hopkins, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Rausch, Ray, Raybourne, Rayburn, Reed, Richards, Searcy, Smith, Sowards, Steiger, Stith, Ed Thomas, Wells, Williams, Wilson, Young; Nays, 1—Ford.

SB 243 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 243** was passed be reconsidered and said motion laid on the table. Agreed.

SB 255 taken from Orders of the Day. Representative Everett moved that it be read by title only and placed on passage. Agreed. **SB 255** read by title only. On roll call, the vote was: Yeas, 63—Arnold, Bartley, Barton, Baumgardner, Buchanan, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Creceilus, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hart, Henry, Hodges, Hopkins, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Rausch, Ray, Raybourne, Rayburn, Reed, Richards, Searcy, Smith, Sowards, Steiger Stith, Ed Thomas, Wells, Williams, Wilson, Young; Nays, 1—Ford.

SB 255 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 255** was passed be reconsidered and said motion laid on the table. Agreed.

SB 286 taken from Orders of the Day. Representative Everett moved that it be read by title only and placed on passage. Agreed. **SB 286** read by title only. On roll call, the vote was: Yeas, 61—Arnold, Bartley, Barton, Baumgardner, Buchanan, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hart, Henry, Hodges, Hopkins, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Rausch, Ray, Raybourne, Rayburn, Reed, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Ed Thomas, Young; Nays, 4—Ford, Wells, Williams, Wilson.

SB 286 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 286** was passed be reconsidered and said motion laid on the table. Agreed.

SB 287 taken from Orders of the Day. Representative Everett moved that it be read for the third time by title only and placed on passage. Agreed. The Clerk read the title as directed.

On roll call, the vote was: Yeas, 62—Arnold, Bartley, Barton, Baumgardner, Buchanan, Buckner, Burke, Bush, Casey, Chaudoin, Clore, Coffey, Combs, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hart, Henry, Hinkle, Hodges, Hopkins, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Rausch, Ray, Raybourne, Rayburn, Reed, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Ed Thomas, Wells, Williams, Wilson, Young; Nays, 4—Burress, E. E. Cook, Farmer, Ford.

SB 287 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 287** was passed be reconsidered and said motion laid on the table. Agreed.

SB 290 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett. Duly seconded and agreed to by the House.

On roll call, the vote was: Yeas, 63—Arnold, Bartley, Barton, Baumgardner, Buchanan, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hart, Henry, Hodges, Hopkins, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Rausch, Ray, Raybourne, Rayburn, Reed, Richards, Searcy, Smith, Sowards, Steiger, Stith, Ed Thomas, Wells, Williams, Wilson, Young; Nays, 1—Ford.

SB 290 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 290** was passed be reconsidered and said motion laid on the table. Agreed.

SB 291 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett. Motion seconded and agreed to by the House.

On roll call, the vote was: Yeas, 63—Arnold, Bartley, Barton, Baumgardner, Buchanan, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hart, Henry, Hodges, Hopkins, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Rausch, Ray, Raybourne, Rayburn, Reed, Richards Searcy, Smith, Sowards, Steiger, Stith, Ed Thomas, Wells, Williams Wilson, Young; Nays, 1—Ford.

SB 291 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 291** was passed be reconsidered and said motion laid on the table. Agreed.

SB 300 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett. Motion seconded and agreed to by the House.

On roll call, the vote was: Yeas, 65—Arnold, Bartley, Barton, Baumgardner, Buchanan, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hart, Henry, Hinkle, Hodges, Hopkins, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Rausch, Ray, Raybourne, Rayburn, Reed, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Ed Thomas, Wells, Williams, Wilson, Young; Nays, 1—Ford.

SB 300 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 300** was passed be reconsidered and said motion laid on the table. Agreed.

SB 307 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Everett.

On roll call for passage, the vote was: Yeas, 61—Arnold, Bartley, Baumgardner, Buchanan, Buckner, Burke, Bush, Casey, Chaudoin, Clore, Coffey, Combs, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hall, Hart, Henry, Hinkle, Hodges, Hopkins, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Ray, Rayburn, Reed, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Steiger, Stith, Ed Thomas, Wells, Williams, Wilson, Young; Nays, 6—Barton, Burress, E. E. Cook, Ford, Raybourne, Whitehead.

SB 307 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 307** was passed be reconsidered and said motion laid on the table. Agreed.

SB 355 taken from Orders of the Day. Representative Everett moved that it be read by title only and placed on passage. Agreed.

On roll call for passage, the vote was: Yeas, 62—Bartley, Barton, Baumgardner, Buchanan, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Clore, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Greene, Gullette, Hahn, Hart, Henry, Hodges, Hopkins, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Parrish, Rausch, Ray, Raybourne, Rayburn, Reed, Richards, Searcy, Smith, Sowards, Steiger, Stith, Ed Thomas, Wells, Williams, Wilson, Young; Nays, 1—Ford.

SB 355 was passed and the title agreed to.

Representative Everett moved that the vote by which **SB 355** was passed be reconsidered and said motion laid on the table. Agreed.

SB 92 taken from Orders of the Day. Representative Everett moved that it be read by title only and placed on passage. Agreed. **SB 92** read by title only for the third time.

On roll call, the vote was: Yeas, 58—Arnold, Bartley, Baumgardner, Buckner, Burke, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Ford, Gay, Greene, Gullette, Hahn, Haley, Hall, Hart, Henry, Hinkle, Hodges, Hopkins, Huddleston, Isler, H. N. Johnson, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McReynolds, Parrish, Rausch, Ray, Raybourne, Rayburn, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Wells, Williams, Wilson, Young; Nays, 0.

SB 92 was passed and the title agreed to.

SB 93 taken from Orders of the Day. Representative Everett moved that it be read by title only and placed on passage. Agreed. **SB 93** read for the third time by title only.

On roll call, the vote was: Yeas, 58—Arnold, Bartley, Baumgardner, Buckner, Burke, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Ford, Gay, Greene, Gullette, Hahn, Haley, Hall, Hart, Henry, Hinkle, Hodges, Hopkins, Huddleston, Isler, H. N. Johnson, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McReynolds, Parrish, Rausch, Ray, Raybourne, Rayburn, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Wells, Williams, Wilson, Young; Nays, 0.

SB 93 was passed and the title agreed to.

SB 94 taken from Orders of the Day on recommendation of the Rules Committee. Representative Everett moved that it be read for the third time and placed on passage. Agreed. Read for the third time.

On roll call, the vote was: Yeas, 58—Arnold, Bartley, Baumgardner, Buckner, Burke, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Ford, Gay, Greene, Gullette, Hahn, Haley, Hall, Hart, Henry, Hinkle, Hodges, Hopkins, Huddleston, Isler, H. N. Johnson, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McReynolds, Parrish, Rausch, Ray, Raybourne, Rayburn, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Wells, Williams, Wilson, Young; Nays, 0.

SB 94 was passed and the title agreed to.

SB 99 taken from Orders of the Day on recommendation of the Rules Committee. Representative Everett moved that it be placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 58—Arnold, Bartley, Baumgardner, Buckner, Burke, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Ford, Gay, Greene, Gullette, Hahn, Haley, Hall, Hart, Henry, Hinkle, Hodges, Hopkins, Huddleston, Isler, H. N. Johnson, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McReynolds, Parrish, Rausch, Ray, Raybourne, Rayburn, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Wells, Williams, Wilson, Young; Nays, 0.

SB 99 was passed and the title agreed to.

SB 101 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 58—Arnold, Bartley, Baumgardner, Buckner, Burke, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Ford, Gay, Greene, Gullette, Hahn, Haley, Hall, Hart, Henry, Hinkle, Hodges, Hopkins, Huddleston, Isler, H. N. Johnson, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McReynolds, Parrish, Rausch, Ray, Raybourne, Rayburn, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Wells, Williams, Wilson, Young; Nays, 0.

SB 101 was passed and the title agreed to.

SB 222 taken from Orders of the Day by action of the Rules Committee. Representative Everett moved that it be placed on passage. Agreed. Read at length for the third time.

On roll call, the vote was: Yeas, 58—Arnold, Bartley, Baumgardner, Buckner, Burke, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Ford, Gay, Greene, Gullette, Hahn, Haley, Hall, Hart, Henry, Hinkle, Hodges, Hopkins, Huddleston, Isler, H. N. Johnson, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McReynolds, Parrish, Rausch, Ray, Raybourne, Rayburn, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Wells, Williams, Wilson, Young; Nays, 0.

SB 222 was passed and the title agreed to.

Report on Enrolled Bills

The Committee on Enrollment reported that **SB 315, SB 213, SB 309, SB 203, SB 212, SB 202, SB 313, HB 10, HB 13, HB 26, HB 49, HB 71, HB 96, HB 102, HB 103, HB 104, HB 276, HB 300, HB 306, HB 307, HB 308, HB 309, HB 310, HB 311, HB 357, HB 377, HB 443, HB 546** had been examined and found correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 10, HB 13, HB 26, HB 49, HB 71, HB 96, HB 102, HB 103, HB 104, HB 276, HB 300, HB 306, HB 307, HB 308, HB 309, HB 310, HB 311, HB 357, HB 377, HB 443, HB 546 delivered, signed by the President of the Senate. Ordered delivered to the Governor.

At the hour appointed, the Speaker resumed the Chair and called the House to order.

Senate Message

Senate message announcing passage of **HB 321, HB 517, HB 231, HB 405** with Senate Amendment, **HB 280, HB 278, HB 279, HB 522, HB 442, HB 369** with Senate Amendment, **HB 283, HB 412, HB 132, HB 143, HB 427, HB 426, HB 601,** with Senate Amendment, **HR 89, HR 90, HR 109.**

Report on Enrolled Bills

The Committee on Enrollment reported that **HB 36, HB 171, HB 172, HB 194, HB 215, HB 216, HB 217, HB 223, HB 231, HB 265, HB 279, HB 280, HB 295, HB 312, HB 321, HB 326, HB 350, HB 351, HB 352, HB 353, HB 442, HB 447, HB 448, HB 480, HB 498, HB 522, HB 523, HB 561, HB 562, HB 605, HB 626, HR 15, HR 16, HR 17, HR 18, HR 36, HR 89, HR 90** had been examined and found correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 36, HB 171, HB 172, HB 194, HB 215, HB 216, HB 217, HB 223, HB 231, HB 265, HB 279, HB 280, HB 295, HB 312, HB 321, HB 326, HB 350, HB 351, HB 352, HB 353, HB 442, HB 447, HB 448, HB 480, HB 498, HB 522, HB 523, HB 561, HB 562, HB 605, HB 626, HR 15, HR 16, HR 17, HR 18, HR 36, HR 89, HR 90 delivered, signed by the President of the Senate. Ordered delivered to the Governor.

The Speaker vacated the Chair and asked Mr. Rayburn to preside.

Orders of the Day

SB 28 taken from Orders of the Day on recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read by title only and placed on passage. Agreed. **SB 28** read by title only for the third time.

On roll call, the vote was: Yeas, 58—Arnold, Bartley, Baumgardner, Buckner, Burke, Bush, Coffey, Combs, M. W. Cook, Cottengim,

P. F. Davis, W. F. Davis, Everett, Farmer, Fitzpatrick, Ford, Greene, Gullette, Hahn, Haley, Hall, Hart, Henry, Hopkins, Huddleston, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Moore, Ockerman, Peace, Rausch, Ray, Raybourne, Rayburn, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Ed Thomas, Walsh, Weintraub, Wells, Whitehead, Williams, Wilson, Young; Nays, 3—Buchanan, Burress, Nick Johnson.

SB 28 was passed and the title agreed to.

Representative Rayburn vacated the Chair. Speaker Weintraub asked Representative Lowman to preside.

Orders of the Day

SB 65 taken from Orders of the Day on recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read by title only and placed on passage. Agreed. **SB 65** read for the third time by title only.

On roll call, the vote was: Yeas, 21—Bartley, Casey, Combs, Cottengim, Crecelius, W. F. Davis, Everett, Farmer, Fitzpatrick, Henry, Hinkle, McCallum, Moore, Reed, Smith, Stith, Tanner, Ed Thomas, Weintraub, Whitehead, Young; Nays, 31—Arnold, Baumgardner, Buchanan, Buckner, Burress, Bush, Coffey, P. W. Cornett, Dempsey, Gullette, Hahn, Haley, Hopkins, H. N. Johnson, Kincer, Lovelace, Lowman, Lyon, McGuire, McReynolds, Newberry, Peace, Jack Raybourne, H. Rayburn, C. R. Reynolds, R. Reynolds, Richards, Searcy, Wells, Williams, Wilson.

SB 65 was defeated.

SB 209 taken from Orders of the Day on recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read by title only and placed on passage. Agreed.

On roll call, the vote was: Yeas, 67—Arnold, Bartley, Baumgardner, Buckner, Burke, Bush, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Fitzpatrick, Ford, Greene, Gullette, Haley, Hall, Hart, Henry, Hinkle, Hopkins, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Moore, Newberry, Ockerman, Parrish, Peace, Rausch, Ray, Raybourne, Rayburn, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Ed Thomas, Walsh, Weintraub, Wells, Whitehead, Williams, Wilson, Young; Nays, 2—Buchanan, Burress.

SB 209 was passed and the title agreed to.

SB 233 taken from Orders of the Day. Representative Fitzpatrick moved that it be read by title only and placed on passage. Agreed. Representative Marlow Cook moved to Amend **SB 233** as follows:

Amend printed copy of **SB 233** on page 2, section 2, lines 1 and 2 by striking lines 1 and 2 and substituting the following:

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:
and on page 2, section 2, line 6, by striking line 6;
and on page 3, section 2, lines 29 through 36, by striking lines 29 through 36;
and on page 12, after section 10, line 35, by adding the following:

Section 10½. Section 199.320 and subsection (1) of Section 199.990 of the Kentucky Revised Statutes are repealed.

Adopted.

SB 233 as amended read for the third time. On roll call, the vote was: Yeas, 67—Arnold, Bartley, Baumgardner, Buckner, Burke, Bush, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Fitzpatrick, Ford, Greene, Gullette, Hahn, Haley, Hall, Hart, Henry, Hinkle, Hopkins, Huddleston, H. N. Johnson, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Moore, Ockerman, Parrish, Peace, Rausch, Ray, Raybourne, Rayburn, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Ed Thomas, Walsh, Weintraub, Wells, Whitehead, Williams, Wilson, Young; Nays, 2—Buchanan, Burress.

SB 233 was passed and the title agreed to.

SB 250 taken from Orders of the Day on recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read by title only and placed on passage. Agreed. **SB 250** read by title only.

On roll call for passage, the vote was: Yeas, 41—Arnold, Bartley, Bush, Coffey, Combs, M. W. Cook, Cottengim, P. F. Davis, W. F. Davis, Everett, Fitzpatrick, Ford, Greene, Gullette, Haley, Henry, Hopkins, Huddleston, Kincer, Kubale, Lovelace, Lowman, Lyon, McCallum, McReynolds, Parrish, Rausch, Ray, Raybourne, Rayburn, Reed, Richards, Searcy, Smith, Stith, Tanner, Ed Thomas, Weintraub, Whitehead, Wilson, Young; Nays, 6—Buchanan, Buckner, Burress, H. N. Johnson, Wells, Williams.

SB 250 passed and the title agreed to.

SB 264 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read by title only and placed on passage. Agreed. **SB 264** read by title only.

On roll call, the vote was: Yeas, 46—Arnold, Bartley, Baumgardner, Bush, Coffey, Combs, M. W. Cook, Cottengim, P. F. Davis, W. F. Davis, Everett, Fitzpatrick, Greene, Gullette, Haley, Hopkins, Huddleston, Kincer, Kubale, Lovelace, Lowman, Lyon, McCallum, Mc-

Guire, McReynolds, Ockerman, Parrish, Peace, Rausch, Ray, Raybourne, Rayburn, Reed, Richards, Searcy, Smith, Steiger, Stith, Tanner, Ed Thomas, Walsh, Weintraub, Whitehead, Williams, Wilson, Young; Nays, 6—Buchanan, Buckner, Burress, Henry, H. N. Johnson, Wells.

SB 264 was passed and the title agreed to.

SB 281 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read by title only and placed on passage. Agreed. **SB 281** read by title only and a roll call was taken. The vote was: Yeas, 51—Arnold, Bartley, Baumgardner, Burke, Bush, Coffey, Combs, M. W. Cook, Cottengim, P. F. Davis, W. F. Davis, Everett, Farmer, Fitzpatrick, Greene, Gullette, Haley, Henry, Hopkins, Huddleston, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, Moore, Newberry, Ockerman, Peace, Rausch, Ray, Raybourne, Rayburn, Reed, C. R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Tanner, Tinsley, Ed Thomas, Walsh, Weintraub, Whitehead, Wilson, Young; Nays, 6—Buchanan, Buckner, Burress, H. N. Johnson, Wells, Williams.

SB 281 was passed and the title agreed to.

SB 308 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read by title only and placed on passage. Agreed. **SB 308** read by title only and the roll call was taken. The vote was: Yeas 56—Arnold, Bartley, Baumgardner, Bush, Casey, Coffey, Combs, M. W. Cook, P. W. Cornett, Cottengim, P. F. Davis, W. F. Davis, Everett, Farmer, Fitzpatrick, Greene, Gullette, Hahn, Haley, Hall, Hart, Hinkle, Hopkins, Huddleston, Kincer, Kubale, Lovelace, Lowman, Lyon, McCallum, McReynolds, Moore, Newberry, Ockerman, Parrish, Peace, Rausch, Ray, Raybourne, Rayburn, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Ed Thomas, Walsh, Weintraub, Wells, Whitehead, Williams, Wilson, Young; Nays, 4—Buchanan, Buckner, Burress, H. N. Johnson.

SB 308 was passed and the title agreed to.

SB 319 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that the bill be read by title only and placed on passage. Agreed. **SB 319** read by title only as agreed. On roll call, the vote was: Yeas, 44—Arnold, Bartley, Burke, Bush, Coffey, Combs, M. W. Cook, Cottengim, P. F. Davis, W. F. Davis, Everett, Fitzpatrick, Greene, Gullette, Hahn, Haley, Henry, Hopkins, Huddleston, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McReynolds, Ockerman, Peace, Qualls, Ray, Raybourne, Rayburn, Reed, Richards, Searcy, Smith, Stith, Tanner, Ed Thomas, Weintraub, Whitehead, Wilson, Young; Nays, 6—Buchanan, Buckner, Burress, H. N. Johnson, Wells, Williams.

SB 319 was passed and the title agreed to.

SB 328 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read for the third time and placed on passage. Agreed. **SB 328** read for the third time.

On roll call, the vote was: Yeas, 41—Arnold, Bartley, Burke, Bush, Coffey, Combs, M. W. Cook, Cottengim, P. F. Davis, W. F. Davis, Everett, Fitzpatrick, Greene, Gullette, Haley, Henry, Hopkins, Huddleston, Kincer, Kingsbury, Kubale, Lovelace, Lowman, McCallum, McReynolds, Ockerman, Parrish, Rausch, Ray, Raybourne, Rayburn, Reed, Richards, Searcy, Smith, Stith, Ed Thomas, Weintraub, Whitehead, Wilson, Young; Nays, 7—Buchanan, Buckner, Burress, H. N. Johnson, Lyon, Wells, Williams.

SB 328 was passed and the title agreed to.

SB 350 taken from Orders of the Day upon recommendation of the Rules Committee. Representative Fitzpatrick moved that it be read for the third time and placed on passage. Agreed. **SB 350** read for the third time.

On roll call, the vote was: Yeas, 55—Arnold, Bartley, Baumgardner, Buckner, Bush, Casey, Coffey, Combs, M. W. Cook, Cottengim, P. F. Davis, W. F. Davis, Everett, Farmer, Fitzpatrick, Greene, Gullette, Haley, Hall, Hart, Hopkins, Huddleston, Kincer, Kingsbury, Kubale, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Moore, Newberry, Ockerman, Peace, Rausch, Ray, Raybourne, Rayburn, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Ed Thomas, Walsh, Weintraub, Wells, Whitehead, Williams, Wilson, Young; Nays, 3—Buchanan, Buckner, H. N. Johnson.

SB 350 was passed and the title agreed to.

Speaker Weintraub resumed the Chair.

Report on Enrolled Bills

The Committee on Enrollment reported that **HB 132, HB 143, HB 278, HB 283, HB 412, HB 426, HB 427, HB 517** had been examined and found correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 132, HB 143, HB 278, HB 283, HB 412, HB 426, HB 427, HB 517 delivered, signed by the President of the Senate. Ordered delivered to the Governor.

Orders of the Day

HB 405 taken from the Clerk. Representative Fitzpatrick moved that the House concur in the following Senate Amendment, seconded by Representative Buchanan:

Amend printed copy of **HB 405** on page 7, section 6, line 5 by deleting line 5 and substituting in lieu thereof the following:

"Employers in the same industry or by one or more labor unions, or by one or more employers and one or more labor unions."

And on page 10, immediately after line 15 of Section 7, add in the following:

"Section 8. Section 304.075 of the Kentucky Revised Statutes is amended to read as follows:

(1) In addition to the paid-up capital stock or surplus as required under KRS 304.071 and 304.073, newly formed domestic stock, reciprocal or Lloyd's insurers, newly formed domestic mutual insurers which qualify upon the basis of a deposit in lieu of applications and premiums collected as provided in KRS 304.150 to 304.194 and foreign and alien insurers which have been insurers for less than five years, shall possess, when first so authorized, bona fide surplus funds equaling in amount not less than fifty percent of the capital stock or surplus otherwise required for the kind or kinds of insurance proposed to be transacted.

(2) No foreign or alien insurer shall be authorized to do business in this state until it shall have completed at least three years of successful operation in its domiciliary state, provided, however, the commissioner may in his discretion waive this requirement if he is satisfied after examination of the business and affairs of such insurer that its authorization to do business in this state would not be hazardous to its prospective policyholders and creditors in this state. The commissioner may require as a condition to such waiver that such insurer deposit with the Custodian of Insurance Securities, for the use and benefit of Kentucky policyholders and creditors, securities of the type permitted as an investment for domestic insurers under KRS 304.404, in such amount as he may in his discretion determine would adequately safeguard the rights of Kentucky policyholders and creditors. This deposit, if required, shall not exceed the amount of paid-up capital stock or surplus required by subsection (1) of this section."

Motion rejected.

The Speaker ordered the Clerk to notify the Senate of House action on **HB 405** and request them to recede from their position.

HB 369 taken from the Clerk. Representative Fitzpatrick moved that the House concur in the following Senate Amendments, seconded by Representative Hinkle:

Amendment No. 1

On pages 2, 3, 4, & 5, section 1, lines 26, 27, 50, 90, 91, 119 and 120 delete the words "but not above the lock and dam up the stream" following the word "state" on line 26 and preceding the word "by" on line 27.

Insert the word "or" following the word "seine" and before the word "netting" on line 50.

Delete the words "which may be issued only to a resident of this state" following the word "license" on line 90 and preceding the word "which" on line 91.

Delete the words "shall cost five dollars per year and is" following the word "license" on line 119 and preceding the word "good" on line 120.

Amendment No. 2

On pages 8, 9 & 10, section 3, lines 1 through 60 by striking lines 1 through 60 and substituting in lieu thereof the following:

Section 3. The Department of Fish and Wildlife Resources shall, by its Commission, prescribe reasonable licenses fees relating to hunting, fishing, and trapping. Provided, however, the Department shall set no private license fee at less than one dollar nor more than one hundred dollars, and no commercial license fee at less than two dollars nor more than five hundred dollars.

Section 3½. Section 150.220 of the Kentucky Revised Statutes is repealed.

Amendment No. 3

On page 11, insert the words and figures "Section 4. Section 150.220 of the Kentucky Revised Statutes is repealed" following line 24 on page 11.

Amendments adopted. On roll call for passage as amended, the vote was: Yeas, 48—Arnold, Baumgardner, Breckinridge, Burke, Bush, Casey, Chaudoin, Combs, M. W. Cook, Crecelius, P. F. Davis, W. F. Davis, Everett, Farmer, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Haley, Hall, Henry, Hinkle, Hopkins, Isler, Kingsbury, Lyon, McGuire, McReynolds, Newberry, Ockerman, Parrish, Peace, Rausch, Ray, Raybourne, Reed, C. R. Reynolds, Richards, Searcy, Smith, Sowards, Stith, Ed Thomas, Wells, Whitehead, Young; Nays, 7—Buchanan, Buckner, E. E. Cook, Dempsey, Hodges, R. Reynolds, Williams.

HB 369 was passed and the title agreed to.

Report on Enrolled Bills

The Committee on Eenrollment reported that **SB 92, SB 93, SB 94, SB 99, SB 101, SB 222, SB 243, SB 255, SB 286, SB 287, SB 290, SB 291, SB 300, SB 307, SB 355** had been examined and found correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day

HB 601 taken from the Clerk. Representative Fitzpatrick moved that the House concur in the following Senate Amendment, seconded by Representative Ed Thomas:

Amend printed copy of **HB 601** on page 1, section 1, line 7, etc., by deleting the following language:

"If more than thirty-five freeholders in the territory being added to the district are affected, the county judge of the adjoining county may appoint two additional commissioners who are residents of such territory; otherwise the judge may appoint one commissioner."

House concurred.

On roll call for passage as amended the vote was: Yeas, 58—Arnold, Baumgardner, Breckinridge, Buchanan, Buckner, Burke, Burress, Bush, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Farmer, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Haley, Hall, Hart, Henry, Hinkle, Hodges, Hopkins, Isler, H. N. Johnson, Kincer, Kingsbury, Kubale, Lyon, McGuire, McReynolds, Newberry, Ockerman, Parrish, Peace, Rausch, Ray, C. R. Reynolds, R. Reynolds, Richards, Smith, Steiger, Stith, Ed Thomas, Weintraub, Wells, Whitehead, Young; Nays, 0.

HB 601 was passed and the title agreed to.

Report on Enrolled Bills

The Committee on Enrollment reported that **SB 28, SB 209, SB 250, SB 264, SB 281, SB 308, SB 319, SB 328, SB 350** had been examined and found correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day

HB 208 taken from the Clerk. Representative Fitzpatrick moved that the House concur in Senate Amendment. Representative Hopkins moved that the House do not concur. Motion adopted. The Clerk was ordered to notify the Senate of action of the House and request them to recede from their position.

SB 195 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Fitzpatrick. Agreed.

On roll call for passage, the vote was: Yeas, 57—Arnold, Bartley, Baumgardner, Breckinridge, Burke, Burress, Bush, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Farmer, Finney, Fitzpatrick, Ford, Gay, Greene, Gullette, Hahn, Haley, Hall, Henry, Hinkle, Hodges, Hopkins, Huddleston, Isler, Kingsbury, Lyon, McCallum, McGuire, McReynolds, Newberry, Ockerman, Parrish, Rausch, Ray, Raybourne, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Ed Thomas, Wells, Whitehead, Young; Nays, 1—Lovelace.

SB 195 was passed and the title agreed to.

Reconsideration

Representative Fitzpatrick moved that the vote by which **SB 92** was defeated be reconsidered. Agreed. Dr. Smith moved the following amendment to **SB 92**:

Amend printed copy of **SB 92** on page 9, section 2, line 14 by inserting between the word "officer" and the word "may" the following: "with approval of a county board of health"

Page 2, section 2, line 19 by inserting between the word "officer" and the word "may" the following:
"with the approval of a county board of health"
Adopted.

On roll call for passage as amended, the vote was: Yeas, 53—Arnold, Baumgardner, Breckinridge, Burke, Bush, Casey, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Fitzpatrick, Ford, Gay, Gullette, Hahn, Haley, Hall, Henry, Hinkle, Hopkins, Huddleston, Isler, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, Moore, Newberry, Ockerman, Parrish, Rausch, Ray, Raybourne, Reed, C. R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Ed Thomas, Wells, Williams, Young; Nays, 0.

SB 92 was passed and the title agreed to.

SB 349 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Fitzpatrick.

On roll call for passage, the vote was: Yeas, 50—Arnold, Breckinridge, Burke, Bush, Casey, Chaudoin, Combs, E. E. Cook, M. W. Cook, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Farmer, Fitzpatrick, Ford, Gay, Greene, Gullette, Haley, Hart, Henry, Hinkle, Hodges, Hopkins, Huddleston, Isler, Kincer, Kingsbury, Lowman, Lyon, McCallum, McReynolds, Moore, Newberry, Ockerman, Parrish, Ray, Raybourne, Reed, C. R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Weintraub, Wells, Whitehead, Young; Nays, 3— Hahn, Rausch, Williams.

SB 349 was passed and the title agreed to.

Report on Enrolled Bills

The Committee on Enrollment reported that **HB 369, HB 601** had been examined and found correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 369, HB 601 delivered, signed by the President of the Senate. Ordered delivered to the Governor.

Senate Message

The Clerk announced that the Senate had refused to recede from their position on amendment of **HB 208.** The Speaker appointed a Conference Committee of the following members of the House to meet with a similar committee of the Senate: Representatives Hinkle, Searcy and Burke.

Orders of the Day

SB 194 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Fitzpatrick.

On roll call for passage, the vote was: Yeas, 44—Arnold, Bartley, Baumgardner, Breckinridge, Bush, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Fitzpatrick, Ford, Greene, Hahn, Haley, Hall, Hart, Hopkins, Huddleston, Isler, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Moore, Ockerman, Parrish, Ray, Raybourne, Reed, Richards, Smith, Steiger, Stith, Walsh, Wells, Whitehead, Young; Nays, 0.

SB 194 was passed and the title agreed to.

SB 351 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Fitzpatrick.

Representative Breckinridge moved to amend **SB 351** as follows:

Amend printed copy of **SB 351** on page 1, by striking out all after the enacting clause and substituting in lieu thereof the following:

Section 1. As used in this Act:

(1) "Mail" means the delivery to a mail carrier or the deposit in a letter box or post office of a letter, with postage prepaid.

(2) "Abroad" means outside of the continental limits of the United States of America.

Section 2. Section 126.150 of the Kentucky Revised Statutes is amended to read as follows:

Any absent voter may, at any time not less than fifteen days before an election, make an application in writing and by mail, on the form prescribed in KRS 126.160 or on form 76 issued under 5 USCA 2184, to the clerk of the county court of the county of his residence, for an absent voter's ballot.

Section 3. (1) On the 14th day prior to the election and beginning at 2:00 p.m., the County Board of Election Commissioners and the County Clerk, together with interested candidates or their representatives, and representatives of news media, shall examine all applications for an absent voter's ballot for the purpose of determining the voter's right to make application, as well as the validity of the form and method of submitting the application itself. The County Clerk shall have the registration records at the meeting. The County Clerk shall read the name of each applicant aloud, and the applicant and his application may be challenged by anyone present. The Board shall determine whether or not each application shall be accepted or rejected. If the application is rejected it shall be so marked and the voter notified of this fact and the reasons therefor. No ballot shall be sent in response to a rejected application nor prior to the examination provided for in this section.

(2) The provisions of subsection (1) of this section shall not apply to applications submitted by members of the Armed Forces, their spouses and dependents stationed abroad; members of the

Merchant Marine, their spouses and dependents stationed abroad; civilian employes of the United States Government, their spouses and dependents stationed abroad; and members of religious groups and welfare organizations attached to and serving in the Armed Forces, their spouses and dependents stationed abroad.

(3) The county clerk shall, however, retain the envelope or post card used by any applicant enumerated in subsection (2) of this section, for inspection and examination.

Section 4. Section 126.160 of the Kentucky Revised Statutes is amended to read as follows:

Applications for absent voter's ballots shall be signed and sworn to by the absent voter before a civil officer authorized by law to administer an oath, provided neither the officer nor his deputy is a candidate to be voted for at the election. Except as provided in Section 2 of this Act, the application shall be substantially in the following form:

"County Court Clerk of ---------------- County,
---------------------, Kentucky.

"I, ----------------------------, state that I am a resident of the State of Kentucky and have been such for at least one year prior to the date hereof. I am a resident of ------------------, County and have been such for more than six months prior to said date and expect to be absent therefrom in the course of my business or duties at the election to be held on the ---------- day of ----------, 19---, and will not vote elsewhere at said election, and am a resident of ---------------- precinct of said county (or -------- Ward of the city of ---------------, county of --------------------), and have been such for at least sixty days prior to said date; that I reside at ----------------------------(house number and street address, if in city, or county road and nearest neighbor, if in county) that I will be at least eighteen years of age by the day of the next election, and that I am a duly qualified voter of said precinct (or said ward), and I am affiliated with the ------------ political party; I request that an official ballot be mailed to me at the following address:

(Name and address)

(Rank and Unit if member of the Armed Forces)

(Department of United States Government if an employe or the wife of an employe stationed abroad)

(Voter must sign here, and oath must be administered and attested).

"Subscribed and sworn to before me this _______________ day of _______________________, 19____.

____

(Name and Official Title)"

Section 5. Section 126.170 of the Kentucky Revised Statutes is amended to read as follows:

(2) Upon receipt of any application for an absent voter's ballot, the county court clerk shall examine the registration books for the purpose of ascertaining whether or not the applicant is a registered voter as stated in the application. If the county court clerk finds that the applicant is so registered, he shall forward a ballot to the voter as provided in KRS 126.190, subject to the provisions of Section 3 of this Act. If the county clerk does not find the applicant to be so registered, and if the application does not indicate that the applicant is a member of the Armed Forces, his spouse, or dependent stationed away from his legal residence; or a member of the Merchant Marine, his spouse or dependent stationed away from his legal residence; or a civilian employe of the United States Government, his spouse or dependent stationed abroad or in the District of Columbia; or a member of a religious group or welfare organization attached to and serving in the Armed Forces, his spouse or dependent who must remain away from his legal residence, the clerk shall immediately mail a letter to the applicant, at the address stated in the application, advising him that his application cannot be honored because of the fact that he is not registered, and advising him what period of time, if any, remains in which he may register prior to such election, and the clerk shall place the application in a file entitled "Nonregistered Applicants for Absent Voters' Ballots." If the clerk thereafter, and prior to the election, receives notice from the applicant advising the clerk that the applicant has registered, the clerk shall again examine the registration books, and if he finds that the applicant has registered he shall remove the application from the nonregistered applicants' file and forward a ballot as provided in KRS 126.190, subject to the provisions of Section 3 of this Act. Any applications not so removed from the nonregistered applicants' file shall be retained in such file until thirty days after the election, when they shall be burned by the clerk in the presence of the judge and sheriff of the county. If the application of a person found not to be registered indicates that the applicant is a member of the Armed Forces, his spouse, or dependent stationed away from his legal resident, or a member of the Merchant Marine, his spouse, or dependent stationed away from his legal residence; or civilian employe of the United States Government, his spouse or dependent stationed abroad or in the District of Columbia; or a member of a religious group or welfare organization, attached to and serving in the Armed Forces, his spouse or dependent who must remain away from his legal

residence, the county court clerk, upon being satisfied that the applicant is entitled to be registered, shall cause the applicant to be registered in the registration records of the proper precinct, and shall mark upon such registration records the words "Absentee Registration." Such registration may be made at any time prior to the election for which an absent voter's ballot is applied for.

(2) Any person who has been registered under the provisions of subsection (1) of this section shall be required to reregister in person upon his first return to the county of his residence at a time when the books are open.

(3) The oath required of a member of the Armed Forces shall be taken as specified in KRS 384.080 and the oath required of a civilian employe of the United States Government or his wife stationed abroad may be taken by the persons mentioned in KRS 382.150. The seal of such officer must be attached to all oaths required under this section.

Section 6. Section 126.210 of the Kentucky Revised Statutes is amended to read as follows:

The Secretary of State shall cause to be prepared and printed an appropriate number of inner envelopes for absent voter's ballots, for all counties. Each such envelope shall be gummed, ready for sealing. Upon one side of such envelope shall be printed, in substantially the following form:

OFFICIAL ABSENT VOTER'S BALLOT

Name of Voter --
Residence (street and number, if any) ----------------------------
----
County of ---
City or town of --

On the other side of such envelope shall be printed the following oath:

"I do hereby swear (or affirm) that I am a citizen of the United States and am now of the age of at least eighteen years or will be on the day of the election to be held on the ---------- day of ----------, 19----, (here insert the day of the election,) that I will have been a resident of the State of Kentucky for at least one year next preceding such election, and a resident of the County of --------------------, for more than six months preceding such election, and a resident of ----------------, precinct of said county (or------ward of the city of ----------------, County of ----------------) at least sixty days preceding such election; that I am a duly qualified voter of said precinct or said ward, and I am affiliated with the ---------------

political party; that in the course of my business or duties I expect to be absent from said precinct or ward at the time of said election.

(Voter must sign here, and oath must be administered and attested.)

"Subscribed and sworn to before me this ---------------- day of ---------------------,

----

(Official Title)

Such oath shall constitute prima facie evidence that the voter is qualified to vote, unless the statements contained in such oath indicate the contrary.

Section 7. Section 126.230 of the Kentucky Revised Statutes is amended to read as follows:

When the absent voter receives the ballot and the two envelopes, he shall go before some civil officer authorized by law to administer an oath, provided neither the officer nor his deputy is a candidate to be voted for at the election, and before him make and subscribe to the affidavit on the face of the envelope and shall, in the presence of such officer and no one else, mark the ballot so as to indicate the way he desires to vote, but in such manner as to prevent the officer from knowing how the ballot is marked or how he has voted. He shall then, and while in the presence of the officer, fold the ballot in such way as to conceal the markings made thereon by him, and after the ballot has been so folded, he shall enclose it in the inner envelope; then seal said envelope and then enclose it in the outer envelope; then seal and write his name across the face of the outer envelope, and at once mail it to the county court clerk.

Adopted.

On roll call for passage as amended, the vote was: Yeas 43—Arnold, Bartley, Baumgardner, Breckinridge, Bush, Chaudoin, Combs, E. E. Cook, M. W. Cook, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Fitzpatrick, Ford, Greene, Hahn, Haley, Hall, Henry, Hopkins, Huddleston, Isler, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Newberry, Ockerman, Parrish, Rausch, Ray, Raybourne, Richards, Smith, Steiger, Stith, Wells, Young; Nays, 0.

SB 351 was passed and the title agreed to.

Report on Enrolled Bills

The Committee on Enrollment reported that **SB 195** and **SB 349** had been examined and found correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day

SB 130 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Fitzpatrick. Duly seconded and agreed to by the House.

On roll call for passage, the vote was: Yeas, 43—Arnold, Bartley, Baumgardner, Burress, Chaudoin, Coffey, Combs, E. E. Cook, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Finney, Fitzpatrick, Greene, Haley, Hall, Henry, Hopkins, Isler, Kincer, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, Mackey, Moore, Newberry, Rausch, Ray, Raybourne, Reed, Richards, Smith, Steiger, Stith, Walsh, Weintraub, Wells, Whitehead; Nays, 0.

SB 130 was passed and the title agreed to.

Representative Fitzpatrick moved that **SB 77** be taken from Orders of the Day, given its third reading and placed on passage.

Representative McGuire moved that the bill be tabled. Adopted.

Representative Fitzpatrick moved that **SR 43** be taken from Orders of the Day, read for the third time and placed on passage.

Representative McGuire moved that the resolution be tabled. Agreed.

Reconsideration

Representative Marlow Cook moved to suspend the rules for a reconsideration of the vote by which **SR 56** was defeated. Agreed. Mr. Cook then moved that the vote be reconsidered. Representative McGuire moved to table the resolution. Rejected.

On roll call for adoption of **SR 56**, the vote was: Yeas, 53—Arnold, Bartley, Baumgardner, Breckinridge, Burke, Bush, Chaudoin, Coffey, Combs, M. W. Cook, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Fitzpatrick, Greene, Hahn, Haley, Hall, Henry, Hinkle, Hodges, Hopkins, Huddleston, Isler, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Rausch, Ray, Raybourne, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Ed Thomas, Whitehead, Williams, Young; Nays, 0.

Adopted.

Representative Marlow Cook moved to reconsider the vote by which **SR 50** was defeated. Agreed.

Representative McGuire moved to table the resolution. Rejected.

On roll call for adoption of **SR 50**, the vote was: Yeas, 53—Arnold, Bartley, Baumgardner, Breckinridge, Burke, Bush, Chaudoin, Coffey, Combs, M. W. Cook, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Fitzpatrick, Greene, Hahn, Haley, Hall, Henry, Hinkle, Hodges, Hopkins, Huddleston, Isler, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Rausch, Ray, Raybourne, Reed, C. R. Reynolds, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Ed Thomas, Whitehead, Williams, Young; Nays, 0.

Adopted.

Report of Conference Committee

Representative Burke reported that the Conference Committee, which met with a similar committee of the Senate on refusal of the House to concur in Senate Amendment to **HB 208**, recommended that the House reconsider the vote by which it refused to concur.

Representative Searcy moved that the House do concur in Senate Amendment to **HB 208**. Agreed.

On roll call for passage, the vote was: Yeas, 51—Arnold, Bartley, Baumgardner, Burke, Bush, Chaudoin, Coffey, Combs, E. E. Cook, M. W. Cook, P. W. Cornett, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Fitzpatrick, Ford, Greene, Hahn, Haley, Hall, Henry, Hinkle, Hopkins, Huddleston, Isler, Kingsbury, Lovelace, Lowman, Lyon, McCallum, McGuire, McReynolds, Mackey, Moore, Newberry, Ockerman, Rausch, Ray, Raybourne, Reed, Richards, Searcy, Smith, Steiger, Stith, Wells, Whitehead, Young; Nays 0.

HB 208 was passed and the title agreed to.

Report on Enrolled Bills

The Committee on Enrollment reported that **HB 208** had been examined and found correctly enrolled. Said bill read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 208 delivered, signed by the President of the Senate. Ordered delivered to the Governor.

Senate Message

The Clerk read a message from the Senate announcing their refusal to concur in House Amendment to **SB 351**. The Speaker appointed the following members to be a Conference Committee to meet with a similar committee of the Senate on disposition of **SB 351**: Representatives Marlow Cook, Lowman and Cottengim.

Orders of the Day

SB 14 taken from Orders of the Day, read for the third time and placed on passage on motion of Representative Fitzpatrick.

On roll call, the vote was: Yeas, 43—Arnold, Bartley, Baumgardner, Breckinridge, Burke, Bush, Chaudoin, Combs, E. E. Cook, Cottengim, Crecelius, P. F. Davis, W. F. Davis, Dempsey, Everett, Fitzpatrick, Ford, Greene, Hahn, Haley, Hall, Hinkle, Hopkins, Huddleston, Isler, Kingsbury, Lovelace, Lyon, McReynolds, Mackey, Moore, Ockerman, Rausch, Ray, Raybourne, R. Reynolds, Richards, Searcy, Smith, Steiger, Stith, Whitehead, Young; Nays, 0.

SB 14 was passed and the title agreed to.

Recess

Representative Everett moved that the House recess for a short time, that the Speaker appoint a Committee to advise the Senate that, with the exception of final action on **SB 351**, the House has concluded business and is ready to adjourn. Agreed.

The Speaker appointed the following members to serve on the Committee:

Representatives Fitzpatrick, Everett, Mrs. Ann B. Hall, Stith and Dempsey.

At the appointed time the Speaker resumed the Chair.

Report on Enrolled Bills

The Committee on Enrollment reported that **SB 14, SR 50** and **SR 56** had been examined and found correctly enrolled. Said bills read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Report of Conference Committee

The Conference Committee on **SB 351** reported that no satisfactory compromise was reached on **SB 351**, and since neither the House nor the Senate would recede from their position, the bill was not further considered.

Adjournment

The Speaker appointed the following committee to inform the Senate that the House had concluded all business and to join a like committee from the Senate to wait upon the Governor to inquire if he had further business to communicate: Representatives Fitzpatrick, Everett, Mrs. Ann B. Hall, Stith, and Dempsey.

The Committee from the House met with a like Senate Committee and reported that the Governor thanked them and stated that he had no further business to communicate.

Representative Fitzpatrick moved to adjourn sine die. Agreed.

The Journal of the House was read, compared and approved. The House adjourned sine die.

Approved:

MORRIS WEINTRAUB
Speaker

ATTEST:

James C. Cubbage, Chief Clerk
House of Representatives

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HB	4	Prohibiting subordinate state officers or employees from engaging in political activity, penalty. (Tanner)
HB	5	Authorizing court to require parents to pay for damages by child. (Isler)
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HB	8	Including television systems in definition of utility. (Buchanan)
HB	9	Requiring vertical exhaust on diesel-powered vehicles, penalties. (E. Thomas)
HB	10	Providing for state aid to fire departments; making an appropriation. (E. Thomas)
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HB	29	Prohibiting sale of alcoholic beverages to persons under 21 years of age, changing prosecution procedure, penalty. (E. Thomas, Render)
HB	30	Permitting fiscal courts to expend road funds for city streets. (Moore)
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HB	39	Providing for a veterans bonus. (Bach)
HB	40	Requiring Department of Highways and fiscal courts to erect anti-littering signs. (Bach)
HB	41	Directing appointment and compensation of county dog wardens. (Bach)
HB	42	Transferring Mt. Olivet to fifth class of cities. (Mackey)
HB	43	Requiring issuance of two luminous motor vehicle license plates. (Hinkle)
HB	44	Exempting auctioneers from real estate licensing. (Fields)

		Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
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HB	**34**	36	123							
HB	**35**	36	123	177	177	187	285	614	634	178, 283, 285, 624
HB	**36**	36	124	875	877	920	1378	1494	1507	876, 1378, 1507
HB	**37**	36	123							
HB	**38**	36	124	545	545	612	1380			545, 1380
HB	**39**	36	123							
HB	**40**	36	123							
HB	**41**	36	124							
HB	**42**	36	123	153	153	167	180	631	634	
HB	**43**	36	123							
HB	**44**	36	123	155	158	178	550			476

HB 45 Restricting maximum intrastate telephone rates in terms of interstate rates. (Everett)

HB 46 Removing maximum property tax for school purposes. (Breckinridge)

HB 47 Increasing compensation of jurors of inferior courts. (E. Thomas)

HB 48 Requiring court approval for placing child for adoption, penalty. (Isler)

HB 49 Removing motor vehicle violations from juvenile court. (H. Nick Johnson)

HB 50 Increasing compensation of circuit court jurors. (Cook, Stith)

HB 51 Establishing a tobacco research project in University of Kentucky College of Agriculture, making an appropriation. (Kingsbury, Huddleston, Breckinridge, Tanner, Ockerman, Williams, Wathen, Burke, Searcy, Lowman, Raybourne, Ford, Ratcliffe, Moore, Wirsch, Hinkle, Mackey, Ray, Wells, Haley, Parrish)

HB 52 Increasing truck weight limit for single axle from 18,000 to 19,000 pounds. (Qualls, Greene, Rayburn, Dempsey)

HB 53 Adding to list of persons authorized to carry concealed weapons. (Hinkle, Mackey)

HB 54 Requiring Department of Highways to publish standards for road construction and maintenance; abolishing State Highway Commission. (Ockerman, Breckinridge)

HB 55 Abolishing State Highway Commission. (Mackey, Wells, Williams, Huddleston, Breckinridge, Ray)

HB 56 Authorizing voter present at poll to vote after closing hour. (Casey, Searcy, Rayburn, Anderson, Stith, Marlow Cook, Chaudoin, Lowman, Kubale, Ockerman, "Banjo" Bill Cornett, Ed Thomas)

HB 57 Limiting absent voting to members of the armed forces. (Casey, Hinkle, Haley, Ratcliffe, Kincer)

HB 58 Authorizing transfer of Department of Health to Lexington. (Breckinridge, Ockerman, Marlow Cook, Ray, Kingsbury, Mackey, Hislope)

HB 59 Restricting state employment of relatives of legislators. (Tanner)

HB 60 Transferring Beaver Dam to fourth class of cities. (Render)

HB 61 Prohibiting sale of alcoholic beverages on Christmas. (Stith)

HB 62 Providing for counsel for indigent persons indicted by grand jury. (Buchanan)

HB 63 Abolishing Department of Personnel and authorizing a merit personnel system in designated agencies, penalties. (Ockerman, Breckinridge, Tanner, Burke, Marlow Cook, Ray, McGuire, Hislope, Searcy)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 45	37	123							
HB 46	37	124	167						
HB 47	102	123							
HB 48	102	124	368						
HB 49	102	123	138	138	167	182	1470	1507	182, 1475, 1507
HB 50	102	123							
HB 51	102	123							
HB 52	102	123							
HB 53	102	123							
HB 54	102	123							
HB 55	102	123							
HB 56	102	124	177						
HB 57	102	124							
HB 58	104	123							
HB 59	104	123							
HB 60	104	123	153	154	167	180			
HB 61	104	123							
HB 62	104	123							
HB 63	104	123							

HB 64 Providing for three platoons in fire departments of cities of second class. (Cottengim)

HB 65 Authorizing city-county police departments in counties with cities of second class. (Fitzpatrick)

HB 66 Extending city-county board of health to counties with cities of second class. (Fitzpatrick)

HB 67 Authorizing cooperatives to retain unclaimed distributable savings. (Billington, Stith, Ratcliffe)

HB 68 Increasing pari-mutuel tax. (Cottengim, Buchanan)

HB 69 Authorizing Public Service Commission to conduct hearings on reasonable rate schedules, and changing refund requirements. (Cottengim)

HB 70 Providing for determination of time of alcoholic beverage sales in counties with cities of fourth class. (Hinkle)

HB 71 Providing for master zoning plans in counties with city of second class, increasing number of commissioners. (Fitzpatrick)

HB 72 Authorizing purchase of furniture for executive mansion. (Everett)

HB 73 Increasing maximum travel allowance for state employees. (Everett)

HB 74 Increasing state election costs per precinct. (Hinkle)

HB 75 Increasing the minimum exemption from state amusement tax. (Hinkle, Qualls)

HB 76 Increasing penalty for driving while under influence of narcotics or intoxicants. (Render)

HB 77 Authorizing income tax deductions for parents of students and by teachers. (Kingsbury, Searcy, Mackey, Hinkle, Peace, Paul Davis, Fields, Ford)

HB 78 Prohibiting junk yards along highway rights of way. (Stith)

HB 79 Requiring state preference in purchases from Kentucky Industries for the Blind. (Isler)

HB 80 Requiring corporations to pay employees weekly. (Lyon)

HB 81 Increasing the number of commissioners in cities of the third class. (Kubale)

HB 82 Imposing an ad valorem tax on sale of real estate. (Henry)

HB 83 Authorizing force account construction on state highways. (Everett)

HB 84 Authorizing a program of medical aid to indigent persons. (Lowman)

HB 85 Requiring early completion of election counts. (Breckinridge, Hislope, Wells, Mackey, Hinkle, Kingsbury, Ockerman)

HB 86 Making less stringent the requirements in respect to election recounts. (Breckinridge, Hislope, Wells, Mackey, Hinkle, Kingsbury, Ockerman)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 64	121	123	322	323	411	629			554, 556, 631
HB 65	121	123							
HB 66	121	123							
HB 67	121	123	155	155	167	181	311	420	155, 181
HB 68	121	123							
HB 69	121	123							
HB 70	121	123							
HB 71	121	123	322	325	411	713	1478	1507	712, 1507
HB 72	124	133	197	197	224	287	719	797	
HB 73	124	133	197	198	224	796	1470	1473	287, 796
HB 74	124	133							
HB 75	124	133							
HB 76	124	133	211	211	224	476			211, 370, 476
HB 77	124	133							
HB 78	124	133	411						
HB 79	124	133	365	366	411	711	935	1396	1388
HB 80	124	133							
HB 81	124	133							
HB 82	124	133	301	303	368	551			
HB 83	124	133	216	218	263	415	712	797	374, 415–419
HB 84	124	133	598	601	623				
HB 85	125	133	174	174	187	286			286
HB 86	125	133							

HB 87	Permitting nonpartisan citizen groups to name challengers and inspectors at elections. (Breckinridge, Hislope, Wells, Mackey, Hinkle, Kingsbury)
HB 88	Providing for election of delegates to national party conventions. (Ford, Tanner, Kingsbury, Johnson, Marlow Cook)
HB 89	Providing for veterans bonus financed by sales tax on alcoholic beverages, penalties. (Bill Cornett)
HB 90	Creating a division of services for the blind. (Hahn)
HB 91	Requiring insurance coverage for tobacco stored in warehouse. (Nunn)
HB 92	Requiring secret ballot in labor union proceedings, penalties. (McCallum)
HB 93	Extending exemption of federal in lieu payments from required local tax effort under school foundation program. (E. E. Cook, McCallum, Barton, Williams, Billington, Hislope, Breckinridge, Greene, McGuire)
HB 94	Increasing membership of Legislative Research Commission, emergency. (Ockerman)
HB 95	Including traveling representatives of mutual or reciprocal insurers in definition of insurance agent. (Everett)
HB 96	Setting procedure for serving process against nonresident insurance agents. (Everett)
HB 97	Restricting exemption of certain insurance statutes to domestic insurers only. (Everett)
HB 98	Specifying serving of process against an insurer. (Everett)
HB 99	Requiring registration of employee welfare funds with Commissioner of Insurance, making an appropriation, penalties. (Everett)
HB 100	Restricting alien and foreign insurer business operations in Kentucky. (Everett)
HB 101	Extending definition of insurers to include persons organizing and to include employees welfare funds. (Everett)
HB 102	Concerning application for life insurance agents license. (Everett)
HB 103	Restricting operations of government owned insurance companies. (Everett)
HB 104	Amending schedule of insurance fees and license taxes. (Everett)
HB 105	Including insurance contracts covering property in the state within specific statutory provisions. (Everett)
HB 106	Requiring Commissioner of Insurance to adopt uniform basic policy contract forms. (Everett)
HB 107	Requiring Commissioner of Insurance to designate depositories for assets of insurers. (Everett)
HB 108	Prohibiting insurer from filing rates, schedules, or plans of rating organization unless he is a member. (Everett)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 87	125	133	541	542	612				545
HB 88	125	133							
HB 89	126	133							
HB 90	126	133	209	209	224	315	614	634	210, 308
HB 91	126	133							
HB 92	126	133							
HB 93	126	133	197	198	224	288	614	634	
HB 94	126	133	163	163	178	212			193, 212
HB 95	126	133	402, 564	403, 564	420, 623				420, 564
HB 96	126	133	317	317	411	551	1478	1507	1480, 1481, 1507
HB 97	126	133	402, 564	404, 564	420, 623				424, 564
HB 98	126	133	402	406	420				
HB 99	126	133							
HB 100	126	133	402	404	420				
HB 101	127	133							
HB 102	127	133	317	318	411	625	1478	1507	1507
HB 103	127	133	317	319	411	625	1478	1507	1507
HB 104	127	133	317	319	411	626	1478	1507	625, 626, 1507
HB 105	127	133	317	321	411				
HB 106	127	133	635	677	742				
HB 107	127	133	402	405	420				
HB 108	127	133	635	667	742				

HB 109	Raising maximum insurance coverage for credit union members. (Steiger)
HB 110	Authorizing Commissioner of Insurance to investigate employee welfare funds. (Everett)
HB 111	Transferring Lynnview to fifth class of cities. (Ray)
HB 112	Transferring Carlisle to fourth class of cities. (Hinkle)
HB 113	Changing date of state's liability for payments under dog law. (Henry)
HB 114	Requiring luminous vehicle registration plates. (Casey)
HB 115	Changing requirements for insurance license examination manual. (Everett)
HB 116	Prohibiting insurer from filing rates, schedules, or plans of rating organization unless he is a member. (Everett)
HB 117	Relating to state premium tax and annual return of Workmen's Compensation Insurance carrier. (Everett)
HB 118	Limiting absent voting to members of the armed forces. (Gullette)
HB 119	Increasing unemployment benefits and tightening eligibility requirements. (Everett)
HB 120	Authorizing state colleges at Elizabethtown and Mt. Vernon. (P. F. Davis, Stith, Wells, Reed)
HB 121	Authorizing election of county school superintendents. (Peace, Dempsey, Hall)
HB 122	Setting minimum monthly old-age assistance at $100. (Hall)
HB 123	Authorizing liability insurance for voluntary police forces. (Kingsbury)
HB 124	Increasing state election costs for voting machine precincts. (Breckinridge)
HB 125	Making more stringent the law relating to abandonment of children, penalties. (Lyon)
HB 126	Setting penalties for employer interference with bargaining rights of employees. (Bush)
HB 127	Requiring stockyards to have licensed veterinarians, penalties. (Cottengim)
HB 128	Increasing the membership of Public Service Commission, emergency. (Qualls)
HB 129	Amending the Constitution to permit sheriffs to succeed themselves. (Wathen)
HB 130	Authorizing cities to levy tax for sewer improvements, emergency. (Lyon, Rayburn, Lowman)
HB 131	Requiring state police officers on patrol to be twenty-five years of age. (Hale, Sowards, Bach, Kincer, McReynolds)
HB 132	Requiring reporting of felony charges to Department of Public Safety. (Johnson, Gay, Buckner, Sowards, Fitzpatrick, Duff, Ford, Burress, Brown, Dempsey)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 109	127	133	317	321	411	627	1470	1473	
HB 110	127	133	635	670	742				
HB 111	127	133	176	176	187	286	631	634	
HB 112	127	133	176	176	187	283	796	921	
HB 113	127	133	598	606	623				
HB 114	127	133							
HB 115	127	133	557	557	623				
HB 116	127	133	635	665	742				
HB 117	127	155	406	406	420				
HB 118	127	156	936	937	1389				
HB 119	127	155	139	139	167	182	374	420	415
HB 120	127	155	275	275	286	624			623
HB 121	127	155	281						
HB 122	131	155							
HB 123	131	156							
HB 124	131	156							
HB 125	131	155							
HB 126	131	155	936	960	1389				
HB 127	131	156							
HB 128	131	156	368						
HB 129	131	156	216	218	263	371, 797	933	1396	371, 797
HB 130	131	156	478	479	612				
HB 131	131	156	598	599	623				
HB 132	131	156	598	599	623	914	1507	1511	1511

HB 133	Empowering county judges to appoint trial commissioners, emergency. (Lyon)
HB 134	Amending the Constitution to provide for state civil service. (Breckinridge, Ford, Tanner, Huddleston, Cook, Hislope, Render, Barton, Davis, Lyon)
HB 135	Authorizing counties with cities of second class to create county merit system. (Breckinridge, Ockerman, Tanner, McGuire, Fitzpatrick, Kingsbury, Isler, Huddleston, Williams, Moore, Lowman)
HB 136	Requiring counties to impose severance tax on petroleum. (Wathen)
HB 137	Requiring school district money in excess of required local tax effort to be used for teachers' salaries. (Hall, Gay)
HB 138	Prohibiting defeated candidates from running in succeeding regular election. (Bush)
HB 139	Relating to regulation of carriers by Department of Motor Transportation and power to designate exempted commodities. (Everett)
HB 140	Making available monies for construction of national guard armories. (Everett)
HB 141	Reducing pension age and rate for police judges in second class cities. (Everett)
HB 142	Authorizing local governments to convey real estate; emergency. (Everett)
HB 143	Requiring two-thirds vote to change bylaws of State Farm Bureau Federation. (Stith)
HB 144	Creating State Board of Physical Therapy, penalties. (Walsh)
HB 145	Establishing offices of Commissioner of Rural Highways. (M. W. Cook)
HB 146	Requiring personal appearances on appeals from unemployment compensation claims. (M. W. Cook)
HB 147	Authorizing local governments to convey real estate; emergency. (Moore)
HB 148	Increasing maximum number of voters in voting machine precincts. (Buchanan)
HB 149	Increasing state payments for election precincts with voting machines. (Buchanan)
HB 150	Changing date for alterations in precinct boundaries. (Buchanan)
HB 151	Raising lower range classification of motor carriers to 24,001 pounds. (Greene, Qualls, Hale, Bach, Rayburn, H. Nick Johnson, Dempsey, Brown, Whitehead)
HB 152	Limiting special fuel tax to carriers of 24,001 pounds or more. (Greene, Qualls, Hale, Bach, Rayburn, H. N. Johnson, Dempsey, Brown)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 133	131	155	166	167	178	469	874, 929	868, 929	167, 307-308, 429, 469, 919
HB 134	131								
HB 135	132	156	478	484	612				
HB 136	132	156	391	391	420				391
HB 137	132	156							
HB 138	156	178							
HB 139	156	178	719	719	791	871	1470	1473	733
HB 140	156	178	197	199	224	294	719	797	289, 293
HB 141	156	178	635	673	742				
HB 142	156	178	322	333	411				
HB 143	156	178	219	220	263	421	1507	1511	1511
HB 144	156	178	357	357	411				362
HB 145	156	178							
HB 146	156	178							
HB 147	156	178	322	323	411	628	874	921	
HB 148	156	178	367	367	411				
HB 149	156	178	276	279	286	468	874	921	919
HB 150	156	178	366	367	411				
HB 151	156	178	197	200	224	289			
HB 152	156	178	197	201	224	289			290

HB 153	Permitting transfer of stock in corporations holding wholesale alcoholic beverage license. (Cottengim)
HB 154	Amending the Constitution to permit a veterans bonus. (Lowman, Coffey, Duff, Buckner, Greene, Newberry, Rausch, Tanner, McCallum, Hahn, Burke, Lovelace, McGuire, Arnold, P. W. Cornett, Gay)
HB 155	Authorizing county court judges to appoint trial commissioners; emergency. (Greene)
HB 156	Specifying life certificates for teachers with specific qualifications. (Hall, Gay)
HB 157	Making an appropriation for school districts with separate schools for handicapped and retarded children. (Huddleston)
HB 158	Providing a veterans bonus financed by tax on soft drinks, penalties. (Gay, Cottengim, Bach, E. Thomas, C. R. Reynolds, P. W. Cornett, Hall, Peace, Coffey, Dempsey, Hahn, Qualls, Sowards, Henry, Burress, Hislope, Wirsch, Hodges, McGuire, Bartley, Brown, Hale, Clore, Render, Willen, Duff, Kincer, Bush, Finney, Fields, Lyon, H. N. Johnson, Bill Cornett, Buckner, Buchanan)
HB 159	Increasing membership of Industrial Safety Board. (Everett)
HB 160	Extending employees' health and safety requirements to restaurants, hotels and apartment houses. (Everett)
HB 161	Authorizing Department of Highways to improve rural cemetery entrances. (Brown, Hodges, Dempsey, Buchanan, Peace, Coffey, Sowards, H. N. Johnson, Qualls, Duff, Whitehead, Burress, Gay, Bach)
HB 162	Requiring allocation of Department of Highway employees in terms of major political party affiliation. (Render)
HB 163	Requiring State Property and Buildings Commission to purchase and lease voting machines to counties. (Breckinridge)
HB 164	Providing for registered mail service of subpoena. (Sowards, Peace, Coffey, H. N. Johnson)
HB 165	Providing for veterans bonus financed by retail sales tax. (Sowards, Gay, Dempsey, Peace, P. W. Cornett, Qualls, Hall, Hodges)
HB 166	Relating to possession of radios capable of transmitting police messages. (Kingsbury)
HB 167	Increasing penalty for unauthorized entry upon land. (S. R. Thomas, E. Thomas, Hinkle, Parris, Kincer, Hart)
HB 168	Providing increased retirement and disability payments to teachers. (Hinkle, Breckinridge, Tanner, P. F. Davis, Barton, McGuire, E. E. Cook, Fields, Smith, Hopkins, Peace, Burke, Hale, Gay, Whitehead, M. W. Cook, Mackey, Coffey, Hahn, Arnold, C. R. Reynolds, Hall, Bach, Kingsbury, Anderson, Hart, Walsh, Young, Ford, Lovelace, Haley, E. Thomas, Hislope, Crecelius, Buchanan, Kincer, Reed, Qualls, Bartley,

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 153	156	178	375	388	420	711, 743	935	1396	742
HB 154	156	178	536	539	612	632			618
HB 155	156	178							
HB 156	156	178	455	455	549				455
HB 157	156	178	197	203	224	304	614	634	1403, 1404
HB 158	156	178	468						
HB 159	156	178	365	365	411	712	1405	1473	
HB 160	156	178	365	365	411	713	1405	1473	
HB 161	156	178							
HB 162	156	178							
HB 163	156	178							
HB 164	168	178							
HB 165	168	178							
HB 166	168	178	364	364	411				
HB 167	168	178	219	220	263	422			422
HB 168	168	178	203	205	224				421

Dempsey, Brown, Sowards, Moore, Casey, Chaudoin, Isler, R. Reynolds, Parrish, Bush, Clore, Lyon, Burress, Render, Ratcliffe, Duff)

HB 169 Stipulating authorized investments for Teachers Retirement System funds, providing for salary of board secretary. (Hinkle, Breckinridge, Arnold, Tanner, Newberry, C. R. Reynolds, Hahn, Coffey, Fields, Mackey, M. W. Cook, Gay, Whitehead, Hale, Burke, Peace, Huddleston, Searcy, Hopkins, Smith, E. E. Cook, McGuire, Barton, P. F. Davis, Kingsbury, Hart, Anderson, Young, Walsh, Bach, Ford, Lovelace, Haley, E. Thomas, Crecelius, Hislope, Brown, Ratcliffe, Buchanan, Kincer, Reed, Fitzpatrick, Qualls, Dempsey, Bartley, Sowards, Chaudoin, Moore, Casey, Isler, Bill Cornett, R. Reynolds, Parrish, Bush, Clore, Burress, Lyon, Render, Duff)

HB 170 Requiring use of standard time, penalties. (S. R. Thomas)

HB 171 Authorizing increase in license fees of optometrists. (Everett)

HB 172 Permitting Board of Optometric Examiners to expend agency fund money. (Everett)

HB 173 Lowering maximum interest rates charged by petty loan companies. (E. Thomas, Kincer)

HB 174 Providing for central issuance of drivers license; making an appropriation; emergency. (Everett)

HB 175 Relating to fishing by use of nets and seines. (Casey)

HB 176 Prohibiting observance or display of other than standard time, penalties. (Render)

HB 177 Authorizing medical aid to indigent persons. (Buchanan, H. N. Johnson, Buckner, Hislope, Sowards, Coffey, Willen, Dempsey, Brown, Bartley, M. W. Cook, Whitehead, Peace, Rayburn, Qualls, Render, W. F. Davis, Burress, P. W. Cornett, Duff)

HB 178 Setting minimum wage rate at one dollar per hour, exceptions, penalties. (Cottengim)

HB 179 Requiring public authority to pay prevailing wage rate for locality. (Cottengim)

HB 180 Relating to abandonment of railroad stations and curtailment of passenger service. (Bush)

HB 181 Giving corporation shareholder unlimited right to inspect books and records. (Wathen)

HB 182 Providing for assessments for sewer district purposes. (Ray, Anderson, Burke, Rausch, Farmer, Steiger, Baumgardner, Walsh, Crecelius)

HB 183 Authorizing cities and counties to establish a park, playground and recreation system. (Ray, Anderson, Burke, Rausch, Farmer, Steiger, Baumgardner, Walsh, Crecelius)

	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Senate Message	Enrolled	Other Action
HB 169	168	178	203	203	224				420, 421
HB 170	168	178							
HB 171	168	178	598	606	623	1390	1494	1507	1507
HB 172	168	178	598	607	623	1403	1494	1507	1507
HB 173	168	178							
HB 174	168	178	407	407	420	915	1445	1473	918
HB 175	168	178							
HB 176	168	178							
HB 177	169	178	494	499	612	1390			743, 1390, 1396, 1402, 1403
HB 178	169	178	936	960	1389				
HB 179	169	178	936	960	1389				
HB 180	169	178							
HB 181	169	178	557	557	623				
HB 182	183	196							
HB 183	183	196							

HB 184	Authorizing fiscal courts to delegate authority over public forests. (Ray, Steiger, Baumgardner, Walsh, Crecelius, Farmer, Rausch, Burke, Anderson)
HB 185	Relating to sewer assessments and services in county with city of first class. (Ray, Steiger, Baumgardner, Walsh, Crecelius, Farmer, Rausch, Burke, Anderson)
HB 186	Defining switch blade knives as deadly weapons. (Isler)
HB 187	Transferring Florence to the third class of cities. (Tinsley)
HB 188	Requiring open meetings of state and local boards and commissions. (Breckinridge)
HB 189	Requiring Department of Mental Health to remain in Louisville until moved to Lexington. (Breckinridge)
HB 190	Increasing membership on planning and zoning commission in counties with cities of second class. (Breckinridge, Ockerman)
HB 191	Requiring application for vehicle registration be accompanied by certificate of financial responsibility. (Fitzpatrick)
HB 192	Providing for veterans bonus financed by pari-mutuel tax and tax on soft drinks. (Hall)
HB 193	Increasing compensation of sheriff for patrolling roads and inspecting dance houses. (Lowman)
HB 194	Increasing fees of Clerk of Court of Appeals and circuit and county clerks. (Everett)
HB 195	Authorizing liability insurance for employees of state agencies. (Hinkle, Mackey)
HB 196	Increasing number of commissioners in third class cities with city managers. (Kubale)
HB 197	Entitling teachers to credit toward masters or doctors degree. (Hopkins, Hinkle, P. F. Davis, Moore, Clore, Hale, Hislope, Hall, Whitehead, Ford, Render, Hahn, Bush, Crecelius, Searcy, Mackey, Fields, Coffey, Barton, Nunn, Bach, Sowards, McReynolds, Arnold, E. Thomas, Kincer, S. R. Thomas, Huddleston, Bill Cornett, Wells, Hart, Tanner, Qualls, Newberry)
HB 198	Requiring application for vehicle registration be accompanied by evidence of financial responsibility. (S. R. Thomas, Mackey, Hinkle, Parrish, Kincer)
HB 199	Prohibiting members of General Assembly from accepting state employment during term, penalties. (Tanner)
HB 200	Setting forty-hour work week for police in cites of second class. (McGuire)
HB 201	Setting fifty-six hour work week for firemen in cities of second class. (McGuire)
HB 202	Extending social security to staffs of specified state educational institutions. (Kubale)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 184	183	196							
HB 185	183	196							
HB 186	184	196	494	505	612				
HB 187	184	196	322	322	411	627	874	921	
HB 188	184	196							
HB 189	184	196							
HB 190	184	196							
HB 191	184	196							
HB 192	184	196							
HB 193	184	196							
HB 194	184	196	798	837	867	1390	1494	1507	1507
HB 195	184	196	598	607	623				
HB 196	184	196	719	741	791				
HB 197	184	196	456	456	549				
HB 198	184	196							
HB 199	190	196							
HB 200	190	196							
HB 201	190	196							
HB 202	190	196	276	276	286	428	874	921	428

HB 203	Requiring appointment of Assistant Attorney General for Department of Education. (Hahn)
HB 204	Changing primary election date to first Saturday after fourth Monday in May. (McCallum, Williams, Steiger, Baumgardner, Crecelius, Ray)
HB 205	Proclaiming Grandmother's Day. (Isler)
HB 206	Requiring gas pipeline companies to serve property owners. (Hale)
HB 207	Requiring depositing of county funds in depository approved by fiscal courts, prohibiting commingling of monies, penalties. (Ratcliffe, Tinsley, Ockerman, Henry)
HB 208	Increasing state and local government employees contribution rate for social security. (Everett)
HB 209	Establishing an agricultural products research project, making an appropriation. (E. Thomas, Weintraub)
HB 210	Limiting application of law governing licensing of real estate brokers and salesmen. (E. Thomas)
HB 211	Increasing state employee travel allowance to ten cents per mile. (Cottengim, Reed, Greene)
HB 212	Increasing fine for littering of highways and public property. (Lyon)
HB 213	Prohibiting hunting on Sunday, penalty. (Stith)
HB 214	Authorizing Department of Fish and Wildlife Resources to license and regulate boats. (Cottengim)
HB 215	Specifying procedures on appeals in public assistance cases. (Everett)
HB 216	Prohibiting court appointed committees from handling public assistance funds. (Everett)
HB 217	Requiring approval of institutions with public assistance recipients. (Everett)
HB 218	Authorizing Commissioner of Economic Security to recover through administrative action, public assistance payments obtained by fraud. (Everett)
HB 219	Requiring paying of state employees not later than ten days after pay period. (E. Thomas)
HB 220	Increasing the exclusive jurisdiction of juvenile courts providing for jurisdiction concurrent with county court, changing procedures, penalties; emergency. (Gullette)
HB 221	Requiring State Fair livestock judges to be native born Kentuckians. (Henry)
HB 222	Increasing permissive truck weight per single axle to 20,000 pounds. (P. W. Cornett, Qualls, Peace, C. R. Reynolds, Hale, Dempsey)
HB 223	Providing venue in actions arising on stream bounding counties. (Gullette, Williams)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 203	190	196							
HB 204	190	196							
HB 205	190	196	213	213	224	268	420	553	
HB 206	190	196	875	876	920	1394			
HB 207	190	196	635	661	742				
HB 208	190	196	375	380	420	867	1494	1522	1514, 1515, 1522
HB 209	190	196	430	430	549	743			743
HB 210	190	196							
HB 211	190	196							
HB 212	190	196	565	565	623				565
HB 213	191	196							
HB 214	191	196, 871	598	608	623	871			
HB 215	191	196	375	379	420	868	1494	1507	868, 1507
HB 216	191	196	375	387	420	867	1494	1507	1507
HB 217	191	196	375	378	420	869	1494	1507	869, 1507
HB 218	191	196	375	386	420				869
HB 219	191	196	750	773	859				
HB 220	191	196	461	461	550				467
HB 221	191	196							
HB 222	191	196	750	762	859				
HB 223	191	196	275	275	286	427	1494	1507	1507

HB 224	Authorizing free fishing license to patients in U. S. Veterans Administration Hospitals. (Hinkle, Mackey)
HB 225	Increasing the minimum age for vehicle operator's license to seventeen years. (Hinkle, Mackey)
HB 226	Relating to power of Department of Fish and Wildlife Resources to regulate seining. (Wathen)
HB 227	Amending requirements relating to composition of local health boards and their staffs, penalties. (Fitzpatrick)
HB 228	Authorizing city of third class located in two or more counties to annex territory. (Buchanan, Peace)
HB 229	Abolishing death penalty. (Cottengim)
HB 230	Authorizing a Conspicuous Service Cross, making an appropriation. (Isler)
HB 231	Changing terms of court in the 36th Judicial District. (Bill Cornett)
HB 232	Establishing scholarship loans for teacher education, making an appropriation. (Kingsbury)
HB 233	Changing terms of court in the 34th Judicial District (Peace)
HB 234	Authorizing free hunting and fishing license for indigent and disabled. (Peace, Sowards)
HB 235	Changing primary election date to first Tuesday after first Monday in August. (Peace, P. W. Cornett)
HB 236	Extending social security to school districts. (Peace, M. W. Cook, Hall, Coffey, Sowards, Qualls, Dempsey, Gay)
HB 237	Entitling state and local government to value of property taken for federal project. (McCallum)
HB 238	Authorizing closing of county offices on specified days. (Hislope, Buchanan, Willen, Coffey, Peace)
HB 239	Requiring motor vehicle registration be accompanied by evidence of financial responsibility. (McReynolds)
HB 240	Requiring political contributions be made through campaign committee. (Breckinridge, Hislope, Wells, Mackey, Hinkle, Kingsbury, Ockerman)
HB 241	Authorizing school boards to issue revenue bonds. (Hinkle)
HB 242	Prohibiting cremation without a coroner's certificate, penalty. (Smith)
HB 243	Requiring depositing of board of education funds in bank paying highest interest rate. (Hall, Huddleston, Coffey, Hodges, Fields, Bach, Peace, Wells, Buchanan, P. W. Cornett, Gay, Dempsey, Hahn, Mackey, Anderson, P. F. Davis, M. W. Cook, Bill Cornett, Wirsch)
HB 244	Increasing state employee travel allowance to ten cents per mile. (Bach, Sowards, Hislope, Hodges, Wirsch, Hall)
HB 245	Making insurance agents and examining doctors agents of the insurer. (Hopkins)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 224	191	196							
HB 225	191	196	798	800	867				
HB 226	191	196	567	567	623				
HB 227	191	196							
HB 228	191	196	478	480	612				
HB 229	191	196	936	960	1389				
HB 230	213	274	492	493	612				
HB 231	213	274	456	456	550	914	1507	1507	1507
HB 232	213	274							
HB 233	213	274	275, 635	275, 671	742				793
HB 234	213	274							
HB 235	213	274							
HB 236	213	274	451	451	549	932			
HB 237	213	275	798	837	867				
HB 238	213	274							
HB 239	213	275							
HB 240	214	275							
HB 241	214	274	448	449	549	863			450, 862
HB 242	214	274	355	355	411				
HB 243	214	274	363	363	411				363
HB 244	214	274							
HB 245	214	274	494	505	612				

HB 246 Providing for election of precinct committee members. (Breckinridge, Ockerman, M. W. Cook, Arnold, Nunn, Huddleston, Tanner, Hopkins, Moore, Wells, Raybourne, Lowman, Kingsbury, Ford, Lyon, McCallum, Young, Mackey, Hinkle, E. Thomas, Parrish, Hahn, Hall, Haley, Barton, Ray, Searcy)

HB 247 Abolishing State Highway Commission. (Bill Cornett, P. W. Cornett, Hall)

HB 248 Authorizing income tax deductions for teachers. (Bill Cornett, Gay)

HB 249 Changing the penalty for petty larceny. (Lyon)

HB 250 Transferring Glasgow to third class of cities. (Newberry)

HB 251 Permitting teachers disability retirement after ten years service. (Buchanan, Buckner, H. N. Johnson)

HB 252 Changing procedures respecting application and mailing of absentee ballots. (Lowman)

HB 253 Restricting post-mortem examinations, penalties. (Smith)

HB 254 Repealing pari-mutuel tax exemption of non-profit race tracks. (Mackey, Howard)

HB 255 Authorizing Department of Highways to maintain entrances to schools, churches, hospitals and cemeteries. (McReynolds)

HB 256 Providing a uniform system for administration of child welfare services and adoption, penalties. (Breckinridge, M. W. Cook, Burke)

HB 257 Providing for lien on unpaid balance with purchase of realty. (Isler)

HB 258 Requiring eighth grade education for county judge or magistrate. (C. R. Reynolds)

HB 259 Repealing absent voting. (Bartley, Qualls, Buchanan, Brown, H. N. Johnson, Buckner, Sowards, Dempsey, Gay)

HB 260 Requiring steel railroad cabooses, penalties. (E. Thomas, Bush)

HB 261 Providing for termination of membership in teachers' retirement system. (Buchanan)

HB 262 Extending social security to school districts. (Dempsey, Tanner, Qualls, W. F. Davis, Smith, Finney, Lovelace, Render, Ford, Newberry, Chaudoin, Richards, McReynolds, Brown, Bush, C. R. Reynolds, Burress, Reed, Gay, E. Thomas, Kincer, S. R. Thomas, Parrish, Mackey, Coffey, Stith, Combs, Bill Cornett, Nunn, P. W. Cornett, Whitehead, Duff, Bartley, Sowards, Hislope, Hodges, Wirsch, Hall, Rausch, Burke, Farmer, Kingsbury, H. N. Johnson, Buckner)

HB 263 Changing primary election date to first Saturday in August. (Render)

HB 264 Changing assessment date in cities of fourth class. (Wirsch)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 246	214	275							
HB 247	224	275							
HB 248	224	274							
HB 249	224	274	456	456	550				
HB 250	224	274	322	322	411	627	874	921	
HB 251	224	274							
HB 252	224	275							
HB 253	224	274	494	505	612				
HB 254	224	274							
HB 255	225	274	301	301	368	470			470
HB 256	225	275							
HB 257	225	274	798	808	867				
HB 258	225	274	750	758	859	1391			
HB 259	225	275							
HB 260	225	274	368						
HB 261	225	274							
HB 262	225	274	577	577	623				
HB 263	225	275							
HB 264	225	274	750	766	859				

HB 265	Authorizing stockyard owners to choose own veterinarians. (Kubale)
HB 266	Authorizing Department of Highways to expend money for city streets. (Wirsch)
HB 267	Making requirements governing operation of school busses applicable to church busses. (Reynolds)
HB 268	Requiring employers to furnish employees with statement of hours worked. (Cottengim)
HB 269	Amending law governing planning and zoning in cities of second class. (Isler)
HB 270	Increasing state salary of circuit judges, making an appropriation. (Gullette)
HB 271	Allowing expenses of special judges and circuit judges holding court at two places within county. (Gullette)
HB 272	Setting compensation for attorney serving as special judge. (Gullette)
HB 273	Broadening power to invest special circuit judge funds. (Gullette)
HB 274	Providing for refund of tax on gasoline used in watercraft, penalties. (Wathen)
HB 275	Repealing inheritance and estate taxes. (Howard)
HB 276	Requiring Department of Agriculture to regulate handling of anhydrous ammonia, penalties. (Finney, P. F. Davis, Newberry)
HB 277	Amending the Constitution to authorize home rule for cities of first, second, and third classes. (Breckinridge, Searcy, Hislope, McGuire, Huddleston, Barton, P. F. Davis)
HB 278	Changing procedures in slum clearance and redevelopment law. (Weintraub)
HB 279	Changing condemnation procedures for housing projects. (Weintraub)
HB 280	Relating to master zoning plan in cities of second class. (Weintraub)
HB 281	Increasing amount of fees returned to county in counties with population of 75,000. (Weintraub)
HB 282	Authorizing water districts to fix amount paid to Farm Home Administration. (Breckinridge)
HB 283	Requiring fee simple title of land for school purposes. (Hinkle)
HB 284	Requiring certification of qualifications for school board members. (Hinkle)
HB 285	Changing requirements relating to guardian's bonds. (Greene)
HB 286	Making election days and Presidential Inauguration Day legal holidays. (Qualls)

	Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Other Action
				1st	2nd	3rd			
HB 265	225	275	598	609	623	1396	1494	1507	1507
HB 266	225	274	750	772	859				
HB 267	263	275	407	410	420	1406			1406
HB 268	263	274	936	964	1389				
HB 269	263	274							
HB 270	263	274	301	302	368	472	719	797	472
HB 271	263	274	456	457	550				
HB 272	263	274	456	457	550				
HB 273	263	274	456	458	550				
HB 274	263	274	577	596	623				
HB 275	263	274							
HB 276	263	274	355	356	411	792	1471	1507	792, 1474, 1507
HB 277	263	275							
HB 278	263	274	322	335	411	714	1507	1511	1511
HB 279	264	274	322	324	411	715	1507	1507	714, 1507
HB 280	264	274	322	334	411	715	1507	1507	1507
HB 281	264	274							
HB 282	264	274							
HB 283	264	274	294	300	368	468	1507	1511	1511
HB 284	264	274	294	300	368	470			475
HB 285	264	274	750	760	859				
HB 286	264	275							

HB 287 Authorizing cities of fifth class to define nuisances. (Lovelace)

HB 288 Authorizing cities of sixth class to define nuisances. (Lovelace)

HB 289 Giving precedence to teachers' salaries and expenditures in school budgets. (Hall, Hale, Sowards)

HB 290 Providing teachers with life certificates. (Hale, Hall, Sowards)

HB 291 Including employees in cities of first class in unemployment compensation coverage. (Reed)

HB 292 Requiring licensing of carpenters in cities of first and second class, penalties. (Reed)

HB 293 Requiring election advertisements to bear designation of issuer, penalty; emergency. (Breckinridge)

HB 294 Providing for veterans bonus financed by tax on retail sales. (Dempsey, Sowards, Brown, Whitehead, Bartley, Wirsch, Hodges, P. W. Cornett, Coffey, Peace, Bach, Gay, Hall, Duff, Qualls)

HB 295 Giving tax credit to foreign insurance companies with Kentucky regional office. (Fitzpatrick)

HB 296 Authorizing city owned utilities to set rates for service outside city. (Combs)

HB 297 Abolishing right of conservation officers to enter upon land. (Casey)

HB 298 Authorizing zoning in unincorporated areas. (Everett)

HB 299 Making an appropriation for free textbooks. (Lowman)

HB 300 Changing terms of court in 23rd Judicial District. (C. R. Reynolds, Bush, R. Reynolds)

HB 301 Changing the computation of statutory periods of time. (Williams)

HB 302 Including amphetamine in the definition of "narcotic drugs." (Isler)

HB 303 Restricting use of city health departments in counties with county department. (Fitzpatrick)

HB 304 Exempting from tax gasoline used in stationary equipment for agricultural purposes, establishing procedures. (Bartley, Dempsey, Tanner, Brown, McReynolds, Whitehead, Cottengim, Wirsch, Hodges, Hislope, McGuire, P. W. Cornett, Duff, Newberry, E. E. Cook, Hall, Lovelace, Smith, Buchanan, Hart, Richards, Hinkle, Mackey, Haley, W. F. Davis, Baumgardner, Rayburn, Moore, Barton, Gay, Willen, Ratcliffe, Render, Buckner, Ford, Breckinridge, H. N. Johnson, Coffey, Sowards, Qualls, Raybourne, Kingsbury, Hale, Burke, Rausch, P. F. Davis, Wells, C. R. Reynolds, Hahn, Steiger)

	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Senate Message	Enrolled	Other Action
HB 287	269	274	322	335	411				
HB 288	269	274	322	346	411				
HB 289	269	274	875	880	920				
HB 290	269	274	455	455	549				455
HB 291	269	274	798	858	867				
HB 292	269	274	750	783	859				
HB 293	269	275	366	366	411				
HB 294	269	274	468						314, 315, 470
HB 295	270	274	750	768	859	1392	1498	1507	1498, 1499, 1507
HB 296	270	274							
HB 297	270	274							
HB 298	270	274	322	347	411	745	1445	1473	
HB 299	270	274							
HB 300	270	274	456	458	550	715	1478	1507	1507
HB 301	270	274							
HB 302	270	274	494	507	612				
HB 303	270	274	322	352	411	861			861
HB 304	270	274							

HB 305	Removing exemption of pinballs from definition of gambling devices. (Ray)
HB 306	Including females in definition of national guard. (Everett)
HB 307	Setting fees and expenses of county tax commissioners. (Everett)
HB 308	Authorizing Department of Revenue to furnish copies of records. (Everett)
HB 309	Changing and standardizing limitations on retroactive tax assessments. (Everett)
HB 310	Permitting local retention of all payments in lieu of alcoholic beverage license suspension. (Everett)
HB 311	Setting pay scale for members of national guard in active service. (Everett)
HB 312	Authorizing state money for construction of fire house in Frankfort. (Everett)
HB 313	Increasing maximum of workmen's compensation subsequent injury fund and maintenance fund. (Everett)
HB 314	Authorizing cities to adopt codes by reference. (Ockerman)
HB 315	Requiring that city civil service applicant be resident rather than registered voter of city. (Ockerman)
HB 316	Including election days in list of holidays. (Qualls)
HB 317	Extending social security to teachers of school districts. (Duff, H. N. Johnson, Greene, Buckner, Dempsey, Brown, P. W. Cornett, Hall, Gay, Peace, Hislope, Coffey, Hodges, Sowards, Kincer, C. R. Reynolds, Bush, Qualls)
HB 318	Authorizing all fiscal courts to purchase liability and compensation insurance. (Bach)
HB 319	Authorizing railroads to condemn land by alternative method. (Everett)
HB 320	Authorizing assistant Commonwealth's attorney in counties with city of second class. (Weintraub)
HB 321	Permitting county court to remove water district commissioners; emergency. (Weintraub)
HB 322	Relating to appointment and qualification of election commissioners. (Hahn)
HB 323	Prohibiting promise of state aid to influence vote, penalty. (Hahn)
HB 324	Providing for agreements to transport federal prisoners as witnesses. (Hahn)
HB 325	Extending prohibition against misapplication of property. (Hahn)
HB 326	Authorizing sewer construction districts to issue revenue bonds. (Ray, Ford)
HB 327	Changing the time permitted for sale of alcoholic beverages. (Hinkle, Stith)

	Intro-duced	Re-ferred	Re-ported	Readings 1st	2nd	3rd	Senate Message	En-rolled	Other Action
HB 305	281	289							
HB 306	281	289	375	387	420	745	1478	1507	1507
HB 307	281	289	478	480	612	792	1478	1507	1507
HB 308	281	289	375	378	420	745	1478	1507	1507
HB 309	281	289	375	389	420	862	1478	1507	1507
HB 310	281	289	375	386	420	862	1478	1507	1507
HB 311	281	289	375	375	420	747	1478	1507	1507
HB 312	281	289	430	432	549	747	1494	1507	1507
HB 313	281	289	635	664	742	794			
HB 314	281	289	798	836	867				
HB 315	281	289	798	829	867				
HB 316	281	289	750	772	859				
HB 317	281	289							
HB 318	282	289							
HB 319	282	289	719	734	791	924	1470	1473	
HB 320	282	289	322	353	411	930			930, 931
HB 321	282	289	354	354	411	1391	1507	1507	355, 1391, 1507
HB 322	282	289	536	537	612				
HB 323	282	289	536	539	612				
HB 324	282	289							
HB 325	282	289							
HB 326	282	289	478	483	612	860	1494	1507	1507
HB 327	282	289	478	490	612				

HB 328	Relating to the licensing of dogs, specifying the authority of dog wardens. (Stith, Haley, Ratcliffe, Hinkle, Raybourne, Wells)
HB 329	Relating to order of arguments when more than one defendant is tried. (Gullette)
HB 330	Increasing compensation of city council members. (Gullette)
HB 331	Requiring destruction of Johnson Grass, penalties. (Moore)
HB 332	Increasing compensation of members of legislative bodies in cities of third class. (Cottengim, Hislope, Sowards)
HB 333	Providing for a lien on surety of persons charged with crime. (H. N. Johnson, Buckner, Ford, M. W. Cook, Duff)
HB 334	Specifying defendant's peremptory challenges. (Everett)
HB 335	Specifying Commonwealth's peremptory challenges. (Everett)
HB 336	Providing for joinder of defendants. (Everett)
HB 337	Authorizing cities of fourth class to define nuisances. (Lovelace, Arnold, Hahn)
HB 338	Extending arrest powers of conservation officers. (Hinkle, Mackey)
HB 339	Requiring removal of top soil prior to strip mining, and specifying reclamation duties. (Render)
HB 340	Basing racing license tax on the pari-mutuel handle. (Henry)
HB 341	Authorizing mineral leases in counties bordering Ohio River. (Wathen, Clore)
HB 342	Prohibiting sale of milk or milk products except pursuant to fair trade contract, penalties. (Newberry)
HB 343	Prohibiting contract denying beneficiary right to choose physician or dentist, penalties. (Hale, Sowards, Williams, Greene, Hall, E. Thomas, Bach, Finney, Brown)
HB 344	Restricting libel action against commercial printer. (M. W. Cook)
HB 345	Authorizing Department of Agriculture to accept federal aid. (Ratcliffe)
HB 346	Changing composition, powers, and duties of Council on Public Higher Education, making an appropriation. (Breckinridge)
HB 347	Authorizing home rule for cities of second class. (McGuire)
HB 348	Requiring purchaser of fire arm to obtain written permission of sheriff, penalties. (Henry)
HB 349	Deleting provision barring future divorce for like cause after annulment. (Breckinridge)
HB 350	Enacting interstate compact on mental health. (Stith)
HB 351	Limiting restriction on outside compensation of Department of Mental Health doctor; authorizing pay to patients for work performed. (Stith)

	Introduced	Referred	Reported	Readings 1st	 2nd	 3rd	Senate Message	Enrolled	Other Action
HB 328	282	289	567	568	623				
HB 329	282	289	635	639	742				
HB 330	282	289	798	823	867				
HB 331	282	289	611	611	623				611
HB 332	282	289							
HB 333	282	289							
HB 334	290	308	635	659	742				
HB 335	290	308	635	671	742				
HB 336	290	308	635	659	742				
HB 337	290	308	322	352	411				
HB 338	290	308	392	395	420	748			748
HB 339	290	308							
HB 340	290	308	577	593	623	711	874	921	
HB 341	290	308	322	353	411	1407			
HB 342	290	308	494	509	612				
HB 343	290	308	798	802	867				805
HB 344	290	308							
HB 345	290	308	392	396	420				
HB 346	290	308							
HB 347	291	308	876	902	920				
HB 348	291	308							
HB 349	291	308	456	459	550				
HB 350	291	308	494	510	612	716	1498	1507	1507
HB 351	291	308	494	516	612	716	1498	1507	1507

HB 352	Providing program for rehabilitation of alcoholics in Department of Mental Health. (Stith)
HB 353	Limiting compensation for transporting mental patients. (Stith)
HB 354	Requiring Department of Finance to procure liability insurance for all state employees. (Cottengim, Reed, Greene)
HB 355	Changing venue in divorce actions. (Gullette)
HB 356	Extending exemption of fraternal benefit societies to burial associations. (Fitzpatrick)
HB 357	Transferring LaGrange to fourth class of cities. (Chaudoin)
HB 358	Making an appropriation for gathering statistical data by Department of Agriculture. (Chaudoin)
HB 359	Relating to defendant testifying in chief for himself. (Williams, Gullette, Wathen, Weintraub, Huddleston, Bach, Ray, P. F. Davis, Greene, Burke, Rausch, Farmer)
HB 360	Prohibiting defendant from testifying in chief after testimony of other witnesses for him. (Williams, Gullette, Wathen, Weintraub, Huddleston, Bach, Ray, Green, P. F. Davis, Rausch, Farmer)
HB 361	Requiring licenses for operators of paint spray equipment, penalties. (Hinkle)
HB 362	Requiring uniform wholesale gasoline price within a given trade area, penalties. (Young)
HB 363	Making an appropriation for state aid to county roads for suburbs. (Young)
HB 364	Extending time permitted county clerks to report convictions under motor vehicle laws. (Rausch)
HB 365	Permitting appeals to circuit court from inferior court judgments; requiring execution of a peace bond. (Rausch)
HB 366	Authorizing recording of master form mortgage contracts in counties containing city of first class. (Rausch)
HB 367	Increasing maximum salary of water district commissioners. (Isler)
HB 368	Requiring driver's license suspension for four years upon failure to pay judgment. (Newberry)
HB 369	Extending power of Department of Fish and Wildlife Resources to permit netting of rough fish. (Mackey, Hinkle)
HB 370	Deleting requirement that State Veterinarian practice in this state for five continuous years. (Stith)
HB 371	Requiring Assistant Attorney General for Department of Education. (Hahn)
HB 372	Authorizing teachers annual leave for family deaths. (Gay, Sowards, Hall, Coffey, Hislope, P. W. Cornett)
HB 373	Requiring Department of Highways to procure liability insurance for employees. (E. Thomas)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 352	291	308	494	517	612	716	1498	1507	1507
HB 353	291	308	494	520	612	717	1498	1507	717, 1507
HB 354	291	308	798	801	867				
HB 355	291	308	750	786	859				
HB 356	291	308	430	432	549				
HB 357	308	317	478	490	612	870	1478	1507	1507
HB 358	308	317	577	577	623				
HB 359	309	317	456	459	550				
HB 360	309	317	456	459	550				
HB 361	309	317	936	964	1389				
HB 362	309	317	598	599	623				
HB 363	309	317							
HB 364	309	317							
HB 365	309	317	456	459	550				
HB 366	309	317							
HB 367	309	317							
HB 368	309	317	598	610	623				
HB 369	309	317	392	397	420	748	1494	1515	1499, 1507, 1512, 1515
HB 370	309	317	567	571	623				
HB 371	309	317	451	451	549	931			
HB 372	309	317							
HB 373	309	317	598	610	623				

HB 374 Authorizing declaratory judgment in cases relating to property of one dying intestate. (Greene)

HB 375 Relating to qualifications for licensing of veterinarians. (Bach)

HB 376 Authorizing fiscal courts to purchase liability insurance. (Bach)

HB 377 Establishing a statewide system of forest fire protection. (Everett)

HB 378 Repealing pari-mutuel tax exemption on non-profit race tracks, specifying rate of taxation and allocation of receipts. (Qualls, Hodges)

HB 379 Requiring election of school board members at large when system of city of second class merges with county. (Breckinridge)

HB 380 Relating to disciplining of police and firemen in cities of second and third classes. (Williams)

HB 381 Limiting compensation of officers of cities of fifth class. (Gullette)

HB 382 Disqualifying as school board member anyone employed by any board of education. (Gay, Hall, Bach, Coffey, Peace, P. W. Cornett)

HB 383 Exempting persons sixty years of age from state income tax. (H. N. Johnson, Buchanan, Howard, Sowards, C. R. Reynolds, Buckner, Peace, Hislope, Hodges, Wirsch, Dempsey, Qualls, Duff, Whitehead, Brown, Gay, P. W. Cornett, Bartley, Coffey, M. W. Cook, Burress, Willen, Rayburn, W. F. Davis, Render)

HB 384 Relating to demand for payment from tobacco warehouse. (Coffey, Willen, Peace, P. W. Cornett, Dempsey, Gay)

HB 385 Directing execution of Interstate Compact on Juveniles. (Breckinridge)

HB 386 Specifying membership of planning and zoning commission in city of first class. (M. W. Cook)

HB 387 Making an appropriation to the Department of Law. (Hahn, Bush, Buchanan, Kubale, Ed Thomas, Arnold, Hopkins, Williams, Steiger, Crecelius, Ockerman, Gullette, Hinkle, Mackey, Wathen, Ratcliffe, Buckner, Stith, Rayburn, Dempsey, Young, Raybourne, W. F. Davis, Finney, Parrish)

HB 388 Relating to qualifications as public accountant on basis of federal service. (Billington, H. Johnson)

HB 389 Permitting reinstatement of teachers in Teachers Retirement System. (Bill Cornett)

HB 390 Increasing retirement allowance of retired teachers. (Bill Cornett)

HB 391 Relating to consideration of gas well as productive. (Bill Cornett)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 374	309	317	798	858	867				
HB 375	309	317	876	913	920				914
HB 376	310	317	798	798	867				
HB 377	310	317	392	392	420	864	1471	1507	1507
HB 378	310	317							
HB 379	310	317							
HB 380	310	317							
HB 381	310	317							
HB 382	310	317							
HB 383	310	317	577	583	623				
HB 384	310	317							
HB 385	310	317							
HB 386	310	317							
HB 387	371	411	577	595	623				
HB 388	372	412							
HB 389	372	411	936	966	1389				
HB 390	372	411							
HB 391	372	412							

HB 392	Crediting members of state employees retirement system for specified federal service. (Combs)
HB 393	Relating to conviction of juvenile for motor vehicle offenses. (Isler)
HB 394	Permitting cities of second class to fix parking meter charges. (Isler)
HB 395	Prohibiting advertising of alcoholic beverages in dry territory. (Billington, Raybourne, Willen, Anderson, Qualls, Dempsey, Wilson, Render, Hall, Coffey, Newberry, Bartley, Richards)
HB 396	Permitting reinstatement of teacher having withdrawn from Teachers Retirement System. (Coffey, Sowards, Duff, Hislope, Bush, Buckner, Howard, Willen, Hall, Peace, P. W. Cornett, Wilson, Bill Cornett, Newberry, Whitehead, Bartley, McReynolds, Combs, Crecelius, Richards, Stith, Hale, Hodges, Hahn)
HB 397	Permitting speed up to 75 miles per hour on four-lane highway. (Finney)
HB 398	Specifying compensation of officers of domestic insurance companies. (S. R. Thomas, Hinkle, Mackey, Haley, Parrish, Wells, Hale)
HB 399	Permitting cities to codify ordinances. (Henry)
HB 400	Reducing theater seat tax. (Lovelace)
HB 401	Increasing compensation of Commissioners of Banking, Motor Transportation, Insurance, and Alcoholic Beverage Control. (Everett)
HB 402	Prohibiting alcoholic beverage wholesalers from doing business in dry territory. (Howard, Hislope, Billington, Peace, P. W. Cornett, Coffey, Willen)
HB 403	Permitting testator to offer will for probate prior to death. (Wathen)
HB 404	Prohibiting sale of insurance by vending machines, penalty. (Buchanan)
HB 405	Relating to loans and investments of life insurer. (Buchanan)
HB 406	Prohibiting sale of milk or milk products except pursuant to fair trade contract. (Newberry)
HB 407	Creating a four member State Highway Commission. (M. W. Cook)
HB 408	Authorizing county tax for old and neglected cemeteries. (Qualls, Hodges)
HB 409	Authorizing adults, or their successors, to dispose of body for scientific study. (Smith)
HB 410	Removing authorization for city of fourth class to vote separately in local option election. (Billington, Lowman, Willen, Buchanan)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 392	372	412	750	772	859				
HB 393	372	412							
HB 394	372	412	798	822	867				
HB 395	372	412	750	775	859				
HB 396	372	411							
HB 397	372	412	565	565	623				
HB 398	372	412	750	750	859	930			
HB 399	372	412	478	484	612				
HB 400	372	411							
HB 401	372	411	448	448	549				449
HB 402	372	412	750	758	859				929
HB 403	372	412	798	799	867				
HB 404	372	411							
HB 405	372	411	798	849	867	1408	1507		1511, 1512
HB 406	373	411	567	672	623				
HB 407	373	412							
HB 408	373	412	798	848	867	1408			
HB 409	373	412	494	498	612				
HB 410	373	412							

HB 411	Relating to conviction of juvenile for motor vehicle offenses. (Fitzpatrick)
HB 412	Exempting from gross utilities tax those utilities used in mining. (Greene)
HB 413	Binding insurer to pay on policy covering patients in county hospitals. (Young, E. Thomas)
HB 414	Appropriating money for payment of specified claims against the state. (Everett)
HB 415	Relating to computation of final compensation in State Employees Retirement System. (Everett)
HB 416	Relating to the licensing of motor vehicle dealers, specifying fees, restrictions on salesmen. (Everett)
HB 417	Requiring physical examinations for school bus drivers. (Isler)
HB 418	Increasing penalties for distribution of obscene literature. (Isler)
HB 419	Amending the Constitution to guarantee "right to work." (Wells, Mackey, Ford, Ratcliffe, Searcy)
HB 420	Authorizing legislative body of city of first class to prohibit discrimination in public buildings. (Anderson)
HB 421	Prohibiting denial of privileges by merchants because of race; penalty. (Anderson)
HB 422	Prohibiting refusal of services or accommodations in public places because of race; penalty. (Anderson)
HB 423	Imposing tax on airline carriers landing in this state. (Billington)
HB 424	Extending scope of pest control law and changing procedures under the law. (Billington, Ratcliffe, P. F. Davis, Stith, Ford)
HB 425	Requiring driving in right-hand lane of four-lane highway except when passing. (Everett)
HB 426	Prohibiting stopping of school bus in no-passing area unless visibility is reasonable; penalty. (Everett)
HB 427	Prohibiting drag racing; penalties. (Everett)
HB 428	Amending Criminal Code to increase monetary requirement for appeal to circuit court. (Weintraub)
HB 429	Amending Criminal Code to increase monetary requirement for demand of jury trial in inferior courts. (Weintraub)
HB 430	Providing expense account for county attorney. (Weintraub)
HB 431	Requiring labeling of weights and measures on packaged products, increasing penalties. (Bush)
HB 432	Empowering railroad to condemn land by alternative method. (Young)
HB 433	Increasing pay of members of State Board of Agriculture. (Hinkle, Rayburn, Combs, Clore, M. W. Cook, Mackey, Ratcliffe)

	Introduced	Referred	Reported	Readings 1st	2nd	3rd	Senate Message	Enrolled	Other Action
HB 411	373	412	798	798	867				
HB 412	373	411	577	581	623	932	1507	1511	1511
HB 413	373	412	491	492	612				491
HB 414	373	411	430	432	549				
HB 415	373	411	430	435	549				
HB 416	373	411	430	442	549	717			
HB 417	373	412	565	566	623				
HB 418	373	412	719	734	791				
HB 419	412	472							
HB 420	412	472	635	673	742				
HB 421	412	472							
HB 422	412	472							
HB 423	412	472							
HB 424	412	472	750	787	859				
HB 425	412	473	635	691	742				
HB 426	412	473	565	566	623	748	1507	1511	1511
HB 427	412	473	565	566	623	749	1507	1511	1511
HB 428	412	472	635	669	742				
HB 429	413	472	635	674	742				
HB 430	413	472	635	673	742				
HB 431	413	472	798	856	867				
HB 432	413	472	750	785	859				
HB 433	413	472	750	768	859				

HB 434	Transferring the city of Martin to the fifth class of cities. (Hall)
HB 435	Increasing the minimum population necessary to incorporate a city. (Henry)
HB 436	Creating an Elevator Safety Board and making an appropriation. (Fitzpatrick)
HB 437	Directing Western State College to establish special boarding school for exceptional students. (Hahn)
HB 438	Creating a continuing Committee on Governmental Affairs, making an appropriation; emergency. (Breckinridge, Moore, M. W. Cook, Kingsbury, Burke, Hislope, Williams, Huddleston, Arnold, Ford, Barton, Searcy, Wells, Render, Mackey, Bill Cornett, Howard, Peace, P. F. Davis, Ockerman, Hall, McGuire, Hopkins, McCallum, P. W. Cornett)
HB 439	Requiring dealers in used merchandise to keep records and open them for inspection; penalty. (C. R. Reynolds)
HB 440	Setting minimum old-age assistance payments at $50 per month. (Greene, Cottengim, Reed, Duff)
HB 441	Requiring coal tipple and ramp operators to keep records of purchases. (Howard)
HB 442	Delegating to Department of Finance powers relative to acquisition, disposition of state real estate. (Everett)
HB 443	Establishing retirement system for state police; penalties. (Everett, H. N. Johnson, Duff, Buckner, Buchanan)
HB 444	Establishing a new State Employees Retirement System; penalties. (Lowman)
HB 445	Redefining "final compensation" under State Employees Retirement System. (Lowman)
HB 446	Removing salary limitation and broadening the powers of Director of Division of Markets in the Department of Agriculture. (R. Reynolds)
HB 447	Amending Criminal Code to transfer to Division of Corrections authority relative to counting former confinement in prisoner's eligibility for parole. (Chaudoin)
HB 448	Prohibiting delivery of contraband to state prisoners; penalty. (Chaudoin)
HB 449	Broadening authority of Division of Corrections; adding duties relating to parole eligibility and conditional release. (Chaudoin)
HB 450	Authorizing disallowance of period of parole violation in computing sentence. (Chaudoin)
HB 451	Relating to consideration of parole, to term of sentence, specifying procedure for conduct in confinement. (Chaudoin)
HB 452	Transferring criminal laboratory to Department of Public Safety. (Chaudoin)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 434	422	472							
HB 435	422	472	798	827	867				
HB 436	423	472							
HB 437	423	473							
HB 438	423	473	798	805	867				1388
HB 439	423	473	798	799	867				
HB 440	423	472	577	585	623				
HB 441	423	472							
HB 442	423	472	635	672	742	1395	1507	1507	1395, 1507
HB 443	423	472	635	678	742	1379	1478	1507	1507
HB 444	423	472							
HB 445	423	472							
HB 446	424	472	750	757	859				
HB 447	425	472	719	736	791	872	1501	1507	1507
HB 448	425	472	719	736	791	872	1501	1507	1507
HB 449	425	472	719	736	791				
HB 450	425	472	719	737	791				
HB 451	425	472	719	737	791				
HB 452	425	472	719	738	791				

HB 453	Conferring peace officer powers on personnel of Department of Welfare with prisoners in custody. (Chaudoin)
HB 454	Amending Criminal Code relating to removing defendant to county jail from penitentiary. (Chaudoin)
HB 455	Relating to indictment of persons for felony other than that for which apprehended. (Chaudoin)
HB 456	Adding the offense of attempting to escape from the penitentiary by concealment within confines; penalties. (Chaudoin)
HB 457	Prohibiting prison riots and holding of hostage; penalties. (Chaudoin)
HB 458	Imposing liabilities for defective workmanship on motor vehicle. (Newberry)
HB 459	Authorizing boards of education to declare an emergency. (Newberry)
HB 460	Setting a forty-eight hour work week for firemen in cities of the third class. (Clore)
HB 461	Authorizing greyhound racing; penalties. (E. Thomas)
HB 462	Requiring election of county school board members from district at large. (Breckinridge)
HB 463	Authorizing board of park commissioners in cities of second class to supervise the park system. (Isler)
HB 464	Placing state departments under unemployment compensation. (Hale, Hinkle)
HB 465	Including spouse of qualified resident in public assistance program. (Breckinridge)
HB 466	Extending State Employees Retirement System to employees of Department of Military Affairs. (Everett)
HB 467	Requiring county courts to establish traffic schools. (Wathen)
HB 468	Authorizing redistricting of tuberculosis hospital districts. (Everett)
HB 469	Making the estate liable for funeral expenses. (Lyon)
HB 470	Repealing the state amusement tax. (Kubale)
HB 471	Authorizing designation of a State Theater. (Kubale)
HB 472	Establishing state-operated retail package liquor dispensaries. (Sowards, Gay)
HB 473	Specifying a full crew for freight trains. (Bush, Sowards, Cottengim)
HB 474	Setting forth requirements: for discharge from National Guard; for convening of general court martial; for decision of general court martial. (Wathen, Arnold)
HB 475	Establishing County Employees Retirement System. (Weintraub, Wirsch, Cottengim, E. Thomas, Fitzpatrick, Isler, Tinsley, Rayburn, Qualls, Chaudoin, Everett, Billington, Hale, Kincer, Sowards)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 453	425	472	719	739	791				
HB 454	425	472	719	739	791				
HB 455	425	472	719	739	791				
HB 456	425	472	719	740	791				
HB 457	425	472	719	741	791				
HB 458	425	472							
HB 459	425	472	750	771	859				772
HB 460	425	472							
HB 461	425	472	577	587	623	933			
HB 462	425	473							
HB 463	425	472	750	791	859				
HB 464	425	473	598	598	623				
HB 465	425	473							
HB 466	426	472	635	635	742	871	1470	1473	
HB 467	426	473	798	808	867				
HB 468	426	473	635	659	742				
HB 469	426	472							
HB 470	426	472	635	643	742	793	921	929	
HB 471	426	473	876	887	920				
HB 472	426	473							
HB 473	426	472	750	775	859				
HB 474	426	472							
HB 475	426	473	635	643	742	860, 864	1405	1473	863, 864

HB 476	Decreasing the state seat tax on passenger motor vehicles. (Billington)
HB 477	Increasing salary of county commissioners for service on fiscal court. (Cottengim, Fitzpatrick)
HB 478	Permitting night horse racing. (Greene, Clore, Cottengim, Reed)
HB 479	Increasing penalty for hunting without nonresident license. (Rayburn)
HB 480	Changing nominating bodies for State Fair Board membership. (Stith)
HB 481	Amending the Constitution to require annual sessions of the General Assembly. (Breckinridge)
HB 482	Making failure to have chattel mortgage release a misdemeanor; penalty. (Lovelace)
HB 483	Removing salary limitation on local officials. (Clore)
HB 484	Removing salary limitation on mayors and city commissioners. (Clore)
HB 485	Extending penalties for supplying narcotics to any person rather than to juveniles. (Kubale)
HB 486	Amending Constitution to exempt disabled veterans from property tax. (R. Reynolds)
HB 487	Making death punishment for rape; setting penalty for attempted rape. (H. N. Johnson)
HB 488	Transferring Hyden, to the fifth class of cities. (Gay)
HB 489	Authorizing commitment of sex offenders. (Tanner, Fitzpatrick)
HB 490	Relating to bonds for applicants for real estate licenses. (Bach)
HB 491	Prohibiting directors of domestic life insurance company from being kin to company officers. (S. R. Thomas, Hinkle, Mackey, Parrish, Kincer, E. Thomas, Hale)
HB 492	Restricting strip mining privileges on rights conveyed prior to 1920. (Bill Cornett)
HB 493	Increasing widow's property selection from property of husband dying intestate. (W. F. Davis)
HB 494	Authorizing contiguous cities to consolidate. (McCallum)
HB 495	Restricting intrastate public utilities rates to that charged for interstate service. (Cottengim)
HB 496	Prohibiting utilities from including refunds and interest in rate base. (Cottengim)
HB 497	Requiring cities to levy taxes for independent school districts. (Hinkle)
HB 498	Authorizing drugs for indigent patients discharged from tuberculosis hospital, making an appropriation. (Hislope, Sowards, Buchanan)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 476	426	472	635	676	742	926	1470	1473	
HB 477	426	472	478	477	612	1393			1393, 1394
HB 478	428	472	798	831	867				
HB 479	428	472	567	573	623				
HB 480	473	552	567	574	623	749	1501	1507	1507
HB 481	473	553							
HB 482	473	553							
HB 483	473	553							
HB 484	473	553							
HB 485	473	553	750	759	859				
HB 486	473	553							
HB 487	473	553	798	857	867				
HB 488	473	553							
HB 489	473	553							
HB 490	473	553							
HB 491	473	553	798	805	867				
HB 492	473	553							
HB 493	473	553	750	759	859				
HB 494	551	553	798	831	867				
HB 495	551	553	798	830	867				
HB 496	551	553	798	828	867				
HB 497	551	553							
HB 498	551	553	577	585	623	1407	1494	1507	1495, 1496, 1507

HB 499	Permitting specified firing of black powder in underground coal mines. (Bach)
HB 500	Establishing a swine evaluation station; making an appropriation. (Kubale)
HB 501	Authorizing cities to execute blanket bonds for employees and officers. (Cottengim, Wirsch)
HB 502	Authorizing rules and regulations governing boilers; penalty. (Cottengim, Breckinridge)
HB 503	Establishing a state-wide system of forest fire protection. (Bach)
HB 504	Requiring uniform placement of traffic signal lights. (Newberry)
HB 505	Increasing fine for entering land to hunt or fish. (S. R. Thomas, Bach, Haley, Kincer, Parrish, E. Thomas)
HB 506	Removing exemption of pinball machines from definition of gambling devices. (E. Thomas)
HB 507	Enacting the Uniform Gifts to Minors Act. (Kingsbury)
HB 508	Increasing the monetary jurisdiction of Board of Claims. (Sowards)
HB 509	Relating to the definition of pharmacy and increasing pharmacists fees. (Kubale)
HB 510	Making an appropriation for statue of Alben William Barkley. (McGuire, Lowman, McCallum, Williams, Steiger, Baumgardner, Hall, Bach, Fields, Haley, Searcy, Hart, Ockerman, Lyon, Fitzpatrick, Mackey, Wells, Billington, S. R. Thomas, Hahn, Farmer, P. F. Davis, Barton, Rausch, E. E. Cook, Kingsbury, Walsh, Hinkle, Stith, Henry, Tinsley, Young, W. Cornett, Chaudoin, Smith, Arnold, R. D. Ford, Ray, Hale, Clore, Newberry, Greene, Reed, McReynolds, Burke, Huddleston, Moore, Wilson, Wathen, Kubale, R. Reynolds, Everett, Tanner, Anderson, Richards, E. Thomas, Hopkins)
HB 511	Amending the Constitution to authorize veterans bonus on a Kentucky Derby lottery. (Sowards, Dempsey, Hall, Coffey, Peace, P. W. Cornett, Brown, Kincer, Whitehead, Duff, C. R. Reynolds, Buchanan, Buckner, Wilson, Burress, Johnson, R. Reynolds, Qualls, Greene, Kubale, Chaudoin, W. F. Davis)
HB 512	Relating to suspension and dismissal of employees of Department of Fish and Wildlife Resources; specifying authority of commission and commissioner relating to seasons. (Stith)
HB 513	Providing mileage allowance for circuit court jurors residing outside the city. (Peace, C. R. Reynolds, P. W. Cornett, Burress, Coffey, Gay, Hall, Bach, Sowards, Buchanan, McGuire, Dempsey, Brown)

	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Senate Message	Enrolled	Other Action
HB 499	552	553							
HB 500	552	553	577	582	623				
HB 501	552	553							
HB 502	552	553							
HB 503	552	552							
HB 504	552	553	798	801	867				
HB 505	552	552							
HB 506	552	553	798	848	867				
HB 507	552	553	557	558	623				
HB 508	552	622							
HB 509	552	622	936	940	1389				
HB 510	552	622	750	786	859	926			
HB 511	612	623							
HB 512	612	622	750	766	859				
HB 513	612	622	936	941	1389				

HB 514 Providing referendum on the state income tax. (Williams)

HB 515 Providing for issuance of special teachers certificates. (Coffey, Willen)

HB 516 Relating to classification of teachers based on years of service. (Coffey)

HB 517 Creating a Board of Examiners in Watchmaking, specifying powers and duties; penalties. (Isler)

HB 518 Restricting jurisdiction of constables in executing process. (Hinkle)

HB 519 Creating a Division of Indigent Medical Care, specifying powers and duties. (W. Cornett)

HB 520 Prohibiting improper notarization of a document; penalty. (Casey)

HB 521 Amending the Constitution to authorize home rule in cities of first three classes. (Breckinridge, Weintraub, Burke, M. W. Cook, Buchanan, Hislope)

HB 522 Prohibiting defeated primary candidate in cities of fourth class from running in general election. (Bush)

HB 523 Relating to protest against assessment by Kentucky Tax Commission. (Everett)

HB 524 Adding irregular route common truck companies to those assessed by Department of Revenue for tax purposes. (Everett)

HB 525 Levying a tax on preparations for waving hair; allocating proceeds. (Buckner, Buchanan, Duff, H. N. Johnson, Qualls, Greene)

HB 526 Prohibiting school district officers and employees from holding state offices. (Everett)

HB 527 Specifying source of payment for transporting a child under juvenile laws. (Everett)

HB 528 Excluding motor vehicle offenses from juvenile court jurisdiction. (Everett)

HB 529 Providing imprest fund for payment of Commonwealth witnesses. (Everett)

HB 530 Requiring reference to the number of the suit on a commissioner's deed. (Richards)

HB 531 Adding election days to the list of legal holidays. (Mackey)

HB 532 Amending statutes relating to grants for premium awards in county and community fairs. (Ratcliffe, Buckner, Stith, Finney, Reed, Young, Newberry, Rayburn, Henry)

HB 533 Restricting pay television sets to hotels; penalty. (Dempsey, Brown)

HB 534 Requiring gas pipe line company to furnish service to property owners. (Bartley, Newberry, P. F. Davis, Buckner, Brown, Dempsey, Whitehead, McReynolds, Wirsch,

	Introduced	Referred	Reported	Readings 1st	2nd	3rd	Senate Message	Enrolled	Other Action
HB 514	612	623							
HB 515	612	622							
HB 516	612	622	635	691	742	1406			1406
HB 517	612	622	750	751	859	1408	1507	1511	1511
HB 518	612	622							
HB 519	612	622							
HB 520	612	622							
HB 521	612	623	635	638	742				
HB 522	612	623	750	790	859	930	1507	1507	1507
HB 523	612	622	635	640	742	1405	1494	1507	1507
HB 524	612	622	635	641	742				
HB 525	613	622							
HB 526	613	623	635	660	742	918			
HB 527	613	622	936	966	1389				
HB 528	613	622							
HB 529	613	622							
HB 530	613	622							
HB 531	613	623							
HB 532	613	622	750	755	859				
HB 533	613	622	876	901	920				
HB 534	613	622	750	774	859	1394			

	Sowards, Hodges, Buchanan, Coffey, P. W. Cornett, Peace, Rayburn, Qualls, H. N. Johnson, Duff)
HB 535	Ratifying amendment to Interstate Compact for the Supervision of Parolees and Probationers. (Everett)
HB 536	Authorizing establishment of junior college school districts. (McGuire)
HB 537	Creating a State Board of Naturopathy. (Coffey)
HB 538	Requiring instruction of Kentucky history in specified school classes. (Barton)
HB 539	Deleting salary provisions for stenographers of county attorneys. (Barton)
HB 540	Eliminating contributory negligence as a complete defense; authorizing recovery on comparative negligence basis. (Duff)
HB 541	Authorizing board of commissioners in second class city to remove board member. (Buchanan)
HB 542	Excluding city-owned utilities from Public Service Commission jurisdiction. (Weintraub, Wathen)
HB 543	Prohibiting discounts to employees; penalty. (Reed)
HB 544	Imposing three per cent tax on merchants selling tangible property at retail. (Searcy)
HB 545	Permitting state police to operate in all cities. (Everett)
HB 546	Amending the state tax on trucks; extending fuels surtax for heavy motor vehicles; changing procedures and requirements. (Everett)
HB 547	Changing composition of State Investment Commission; delegating choice of state depositories. (Everett)
HB 548	Establishing 45 mile per hour speed limit for school busses. (Everett)
HB 549	Prohibiting solicitation of legal business for an attorney. (Williams, Lyon, Wells, Burke, Isler, Huddleston, Gullette)
HB 550	Prohibiting duplication of private utility facilities by municipalities. (Everett)
HB 551	Prohibiting fraudulent display of veterans and nurses badges. (Bush)
HB 552	Deleting apprenticeship requirement for barbers and beautician licenses. (E. E. Cook, McGuire)
HB 553	Removing defense of retraction in connection with libel proceedings. (Moore)
HB 554	Requiring marking of police patrol motor vehicles. (Newberry)
HB 555	Transferring duties of Commonwealth attorneys to county attorneys. (Reed)
HB 556	Establishing Horticultural Commission; making an appropriation; penalty. (Wathen)
HB 557	Extending insurance coverage on school busses. (Buchanan)

	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Senate Message	Enrolled	Other Action
HB 535	613	622	635	674	742				
HB 536	621	622	798	833	867				834
HB 537	621	622							
HB 538	621	622							
HB 539	621	622							
HB 540	621	622	876	900	920				
HB 541	621	623							
HB 542	621	623	635	675	742				
HB 543	621	622	936	967	1389				
HB 544	622	622							
HB 545	622	623	635	677	742				
HB 546	622	623	635	691	742	932	1470	1507	1507
HB 547	622	622							
HB 548	622	623	635	659	742				
HB 549	622	622							
HB 550	622	623	635	639	742	924	1445	1473	
HB 551	622	622							
HB 552	622	622	750	760	859				
HB 553	622	622							
HB 554	622	623	798	829	867				
HB 555	622	622	936	967	1389				
HB 556	622	622	936	967	1389				
HB 557	622	622							

HB 558	Deleting disqualification requirements for councilmen in cities of fourth class. (Wells)
HB 559	Establishing a Department of Civil Service and state merit system. (Lowman)
HB 560	Creating a new circuit court district comprised of Warren County. (McReynolds)
HB 561	Authorizing classification of sewer users and rates. (Kubale)
HB 562	Permitting enforcement of sewer rate collection by stopping the water service. (Kubale)
HB 563	Establishing a medical program for aid to indigents in Department of Economic Security. (Cottengim)
HB 564	Creating a Construction Standards Commission with powers and duties relating to building standards; penalty. (Cottengim)
HB 565	Prohibiting operation of motor vehicle with defective brakes or steering device. (Richards)
HB 566	Authorizing owner to retain motor vehicle seized for violation of local option law. (Richards)
HB 567	Requiring microfilming of court records; making an appropriation. (Newberry)
HB 568	Setting a forty-hour work week for state police. (Williams, Arnold)
HB 569	Requiring successful party to recover court costs for attachment and indemnity bonds. (Richards)
HB 570	Requiring admission to practice of law all graduates of Jefferson School of Law. (Casey)
HB 571	Setting penalty for leaving heavy objects on highway. (Duff, Buckner, Qualls, Dempsey, Bartley, Brown, Rayburn)
HB 572	Restricting nomination by petition; repealing authorization for cross-filing by candidates for judicial offices. (Gay, Buchanan, Peace, Sowards)
HB 573	Voiding contracts restricting choice of physician. (Stith)
HB 574	Increasing permissible tax rate for fire protection. (Weintraub)
HB 575	Raising permissible Public Service Commission assessments against utilities. (Everett)
HB 576	Making changes relating to composition of State Fair Board and powers relating to disposition of property. (Everett)
HB 577	Deleting qualification requirements for directors of pupil personnel. (Kubale, Gullette)
HB 578	Extending permissible use of motor vehicle dealer's license plates. (Breckinridge)
HB 579	Setting a 40 miles per hour speed limit for school busses. (Duff)
HB 580	Requiring 90 day guarantee for motor vehicles sold at auction; penalty. (Burress)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 558	632	718							
HB 559	632	718							
HB 560	632	718	798	808	867				822
HB 561	632	718	750	762	859	915	1501	1507	1507
HB 562	632	718	750	776	859	916	1501	1507	1507
HB 563	632	718	798	842	867				
HB 564	632	718	750	778	859				
HB 565	632	718							
HB 566	632	718	936	942	1389				
HB 567	632	718	750	771	859	926			771, 926, 927, 928
HB 568	633	718							
HB 569	633	718							
HB 570	633	718	798	855	867				
HB 571	633	718	798	857	867				
HB 572	633	718	936	943	1389				
HB 573	635		936	974	1389				
HB 574	635		750	780	859				
HB 575	635		798	830	867				
HB 576	635		798	823	867				
HB 577	635								
HB 578	635								
HB 579	635		936	943	1389				
HB 580	635								

HB 581	Setting a $60 per month minimum old-age assistance payment. (Whitehead, Dempsey)
HB 582	Increasing salary of Custodian of Insurance Securities and establishing qualifications. (Chaudoin)
HB 583	Increasing membership of Legislative Research Commission; emergency. (Qualls)
HB 584	Exempting auger mining from strip mining regulations. (Buckner, Buchanan, Duff, H. N. Johnson, Ratcliffe)
HB 585	Excluding military retirement income in computation of income tax. (Wirsch, Isler)
HB 586	Authorizing a single form of government for a county. (Fitzpatrick)
HB 587	Changing requirements relating to filing and amendment of articles of incorporation. (Fitzpatrick)
HB 588	Requiring reports on fatal accidents to be made to state police. (Buchanan, H. N. Johnson, Duff, Buckner, Greene, R. Reynolds, Reed)
HB 589	Requiring resident to surrender out-of-state drivers license. (Buchanan, H. N. Johnson, Duff, Buckner, Greene, R. Reynolds, Reed)
HB 590	Authorizing suits against the Commonwealth and its political subdivisions; emergency. (H. N. Johnson, Richards, Stith, Wathen, Bach, Fields, Kubale, Chaudoin, Fitzpatrick, Sowards, Young, Kincer, S. R. Thomas, R. Reynolds, Henry, Hart, Buchanan, Huddleston, Hopkins, Mackey, Hinkle, Parrish, Gullette, C. R. Reynolds, Bush, Combs, Hahn, P. W. Cornett, Peace, Coffey, Hall, McGuire, Walsh, Hislope, Wirsch, Hodges, Bartley, Brown, Dempsey, Whitehead, Duff, Qualls, Anderson, Ray, Wilson, Tinsley, Lyon, Newberry, Burress, Willen, Rayburn, Buckner, Moore, Barton, Crecelius)
HB 591	Setting qualifications of school bus drivers and requirements for school bus equipment. (Hall, Gay, Isler)
HB 592	Increasing terms of office for mayor and city commissioners. (Fitzpatrick)
HB 593	Requiring contractors to post payment bond on public projects. (Everett)
HB 594	Relating to presumption of guilt for possession of alcoholic beverages in dry territory. (Billington, Howard)
HB 595	Setting qualifications for school bus drivers; penalties. (Sowards)
HB 596	Authorizing enforcement of judgment against a minor. (Isler)
HB 597	Excluding salary of military personnel in computation of income tax. (Isler)

	Introduced	Referred	Reported	Readings 1st	2nd	3rd	Senate Message	Enrolled	Other Action
HB 581	635		876	901	920				
HB 582	635		936	944	1389				
HB 583	635		750	769	859	915			
HB 584	635		750	761	859				
HB 585	635								
HB 586	635		750	782	859				
HB 587	716		750	780	859				
HB 588	746								
HB 589	746		876	888	920				
HB 590	746		798	834	867	1404			
HB 591	746								
HB 592	746								
HB 593	746		936	975	1389				
HB 594	746		936	944	1389				
HB 595	746		750	756	859				1405
HB 596	746								
HB 597	746		936	945	1389				

HB 598	Increasing specified workmen's compensation payments. (Everett)
HB 599	Extending State Employees Retirement System to members of the General Assembly; making an appropriation. (Duff, Kincer, Greene, Qualls, C. R. Reynolds, Bush, Hall)
HB 600	Relating to requirements for support of needy parents. (Greene, Lowman, Burress, Gay, Hall, Lyon)
HB 601	Authorizing petition for inclusion of water district of adjoining county. (E. Thomas)
HB 602	Restricting city occupational taxes to one per cent. (Isler)
HB 603	Authorizing fire protection districts to borrow money and levy a tax. (Combs)
HB 604	Increasing compensation of justices of peace for service on fiscal court. (Buchanan, Peace)
HB 605	Authorizing impoundment of water by highway fills. (Howard)
HB 606	Requiring Commissioner of Agriculture to enforce statutes on disposition of dead cattle. (E. Thomas)
HB 607	Authorizing emergency state construction and repair of city streets. (Kincer)
HB 608	Prohibiting commercial establishments on rights-of-way of federal interstate system. (Cottengim)
HB 609	Permitting members of limited partnerships to pay in listed securities as capital. (Fitzpatrick)
HB 610	Setting qualifications for school bus drivers and establishing safety requirements; penalty. (Hale)
HB 611	Increasing membership of Water Pollution Control Commission. (Fitzpatrick)
HB 612	Changing requirements relating to investment of state retirement funds. (Combs)
HB 613	Excepting domestic mutual insurers from counter-signature requirements. (Chaudoin)
HB 614	Removing provision permitting executive officials of domestic mutual insurers to negotiate policies without being deemed agents. (Chaudoin)
HB 615	Establishing schedule of fees for motor vehicle dealers. (Qualls)
HB 616	Setting maximum salary for appointed state administrative officials. (Fitzpatrick)
HB 617	Removing requirement of proof of intent to defraud in connection with bad checks. (Moore)
HB 618	Requiring Commissioner of Highways to make report on force account work. (Greene, Lowman)
HB 619	Prohibiting imbeciles from marrying. (Render)
HB 620	Increasing death benefits for city police and firemen. (Wirsch)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 598	746								
HB 599	747		876	898	920				
HB 600	794								
HB 601	794		798	822	867	923	1507	1515	1513, 1515
HB 602	794								
HB 603	794		876	885	920				
HB 604	794		798	854	867				
HB 605	794		798	802	867	1407	1501	1507	1507
HB 606	794								
HB 607	794								
HB 608	865		876	884	920				
HB 609	865		876	904	920				
HB 610	865		876	876	920				
HB 611	865		876	897	920				
HB 612	865		876	904	920				
HB 613	865								
HB 614	865								
HB 615	865		876	905	920				
HB 616	865		876	905	920				
HB 617	865								
HB 618	865								
HB 619	865								
HB 620	866								

HB 621	Requiring issuance of teachers' certificates for graduates of specific institutions and those with specified service. (Casey)
HB 622	Prohibiting school bus drivers from drinking alcoholic beverages; penalty. (W. Cornett)
HB 623	Setting a 40 mile per hour speed limit for school busses; penalty. (W. Cornett)
HB 624	Requiring physical examination for school bus driver. (W. Cornett)
HB 625	Making advertisement of sales at less than cost prima facie evidence of intent to injure competitors. (Haley)
HB 626	Requiring holder of chattel mortgage on tobacco crop to give written notice of lien. (Haley)
HB 627	Authorizing cities and water districts to acquire water works and to finance the system. (Gullette, Brown, Bartley, Dempsey, Whitehead, Qualls, Moore, Duff, Wirsch, P. W. Cornett, Peace, Coffey, Hall, Howard, Sowards, Bach, Fields, R. Reynolds, Hart)
HB 628	Making an appropriation for acquisition of state employment offices. (Fitzpatrick)
HB 629	Requiring the state to furnish record books for county judges. (Whitehead)
HB 630	Setting safety exit requirements for school busses; emergency. (Hall)
HB 631	Including pinball machines in definition of gambling devices. (Dempsey)
HB 632	Providing for election of county school superintendents. (S. R. Thomas)
HB 633	Transferring function of Board of Chiropractic Examiners to State Board of Health. (Smith)
HB 634	Making an appropriation for promotion of the bee industry. (Ratcliffe)
HB 635	Setting requirements for marketing of tobacco. (Stith)
HB 636	Amending Criminal Code relating to citations for specific offenses; penalty. (H. N. Johnson, Duff, Buchanan, Buckner)
HB 637	Prohibiting sale of fireworks at wholesale; penalties. (Buckner, H. N. Johnson, Buchanan, Duff)
HB 638	Requiring periodic safety inspection of motor vehicles; penalties. (H. N. Johnson, Duff, Buchanan, Buckner)
HB 639	Setting court costs for motor vehicle violation reports. (H. N. Johnson, Buckner, Buchanan, Duff)
HB 640	Transferring Erlanger to the third class of cities. (Kingsbury, Cottengim, Fitzpatrick, Isler)
HB 641	Authorizing sale of contraceptives. (S. R. Thomas)
HB 642	Changing requirements relating to licensing of real estate brokers and salesmen. (Chaudoin)

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 621	866		936	948	1389				
HB 622	866								
HB 623	866								
HB 624	866								
HB 625	866		876	901	920				
HB 626	866		876	898	920	1392	1501	1507	1507
HB 627	866		936	948	1389				
HB 628	873		876	889	920				
HB 629	873		876	884	920				
HB 630	873								
HB 631	873		936	954	1389				
HB 632	873		936	976	1389				
HB 633	873								
HB 634	873								
HB 635	873								
HB 636	873								
HB 637	873								
HB 638	873								
HB 639	873		936	978	1389				
HB 640	873		876	883	920				
HB 641	873		936	955	1389				
HB 642	916								

HB 643	Removing provision permitting executive officials of domestic mutual insurers to negotiate policies without being deemed agents. (Chaudoin)
HB 644	Authorizing licensing of electricians in cities of first and second class and counties containing cities of second class. (H. N. Johnson, R. Reynolds, Duff)
HB 645	Limiting state regulation of amateur boxing and wrestling. (Lowman)
HB 646	Providing for immediate payment of teachers retirement benefits; emergency. (Hinkle, Buchanan, Tinsley)
HB 647	Requiring State Local Finance Officer to assist cities upon request. (Fitzpatrick)
HB 648	Reducing age requirements for notary publics. (Gay)
HB 649	Setting maximum measurement for house trailers; penalty. (Fitzpatrick)
HB 650	Setting license fee for stud horses. (Smith)
HB 651	Authorizing soil conservation district to levy tax. (Dempsey, Bach, Fields, W. F. Davis)
HB 652	Making an appropriation for specialized care of mentally ill. (Buchanan)
HB 653	Establishing a Constitution Revision Commission; making an appropriation. (Breckinridge, Fitzpatrick)
HB 654	Deleting specific city license fee requirements relating to alcoholic beverages. (Rayburn)
HB 655	Extending to all cities requirements for repair of sidewalks in cities of first class. (Burke)
HB 656	Extending to all cities requirements relating to collection of taxes from debtors of taxpayers in cities of second class. (Burke)
HB 657	Requiring an examination for operators of commercial trucks, setting maximum working periods. (H. N. Johnson, R. Reynolds, Sowards, Duff, Buckner, Brown, Dempsey, Greene, Buchanan, P. W. Cornett)
HB 658	[Withdrawn]
HB 659	Requiring automatic signal devices at railroad crossings. (Richards)
HB 660	Authorizing single county-wide taxing unit. (Fitzpatrick)
HB 661	Amending the Constitution to eliminate the oath respecting dueling. (Everett)
HB 662	Prohibiting issuance of alcoholic beverage licenses within 400 feet of a church, school, hospital or housing project. (Casey)
HB 663	Prohibiting employment discrimination because of sex; penalties. **(Cottengim)**

	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Senate Message	Enrolled	Other Action
HB 643	916								
HB 644	916		936	978	1389				
HB 645	916								
HB 646	917		936	980	1389				
HB 647	917								
HB 648	917								
HB 649	917		936	980	1389				
HB 650	922								
HB 651	922		936	955	1389				
HB 652	922								
HB 653	922								
HB 654	922		936	980	1389				
HB 655	934								
HB 656	934								
HB 657	934								
HB 658	934								
HB 659	935		936	957	1389				
HB 660	935		936	958	1389				
HB 661	935		936	959	1389				
HB 662	935		936	956	1389				
HB 663	935								

HISTORY OF HOUSE RESOLUTIONS

Numbers refer to page of House Journal. Text of resolution is given on first reading or adoption. Joint resolutions are designated HJR; concurrent resolutions are designated HCR.

HR	**1**	Authorizing a committee to inform the Senate and Governor that the House is organized. (Everett)
HR	**2**	Inviting Frankfort pastors to open House sessions. (Everett)
HR	**3**	Adopting permanent rules. (Everett)
HCR	**4**	Establishing a memorial to James W. Cammack, Sr. (E. Thomas)
HJR	**5**	Directing Legislative Research Commission to study narcotics; making an appropriation. (Isler)
HJR	**6**	Authorizing a joint committee to investigate the Department of Highways; making an appropriation. (Kingsbury, Wells, Mackey, Huddleston)
HJR	**7**	Authorizing Norman Gnau and insurers to sue the state. (Rausch, Burke)
HJR	**8**	Authorizing a joint committee to investigate the Department of Highways; making an appropriation. (Cottengim)
HJR	**9**	Directing Legislative Research Commission to evaluate the education foundation program; making an appropriation. (Everett)
HR	**10**	Making consideration of the Executive Budget a special order for February 10. (Huddleston)
HJR	**11**	Directing payment to Wesley Chapel, Fearisville, Lewis County. (Rayburn)
HCR	**12**	Adjourning from January 16 to January 21 in memory of Robert E. Lee. (Everett)
HJR	**13**	Requesting Department of Education to obtain federal aid. (Greene, Cottengim)
HR	**14**	Congratulating Ben Franklin Reeves and family. (Lowman, Young)
HJR	**15**	Making deficiency appropriation for education foundation program. (Everett)
HJR	**16**	Making an appropriation for jailers fees. (Everett)
HJR	**17**	Making an appropriation for jailers fees. (Everett)
HJR	**18**	Directing payment of a claim of C.S. Woodward. (Mackey)
HR	**19**	Directing Clerk of House to restore seat plaque bearing name of Mary Elliott Flanery. (Hall)
HR	**20**	Extending sympathy to Representative and Mrs. Clarence R. Miller. (Cottengim)

		Introduced	Referred	Reported	Readings			Adopted	Senate Message	Enrolled	Other Action
					1st	2nd	3rd				
HR	**1**	8						8			
HR	**2**	8						9			
HR	**3**	30	30	38	38						51, 52, 123
HCR	**4**	30						31	158		
HJR	**5**	33	123	154							158
HJR	**6**	34	123								
HJR	**7**	37	124								
HJR	**8**	37	123								
HJR	**9**	37	123	135	136	167	179				179, 185
HR	**10**	54	54								
HJR	**11**	104	123	135	137	167	180	180	631	634	178
HCR	**12**	110						110	116		116
HJR	**13**	121	124	165	165	178	187				166, 187
HR	**14**	121						121			
HJR	**15**	125	178	430	431	549	936	936	1494	1507	1507
HJR	**16**	125	178	430	434	549	1393	1393	1494	1507	1507
HJR	**17**	125	178	430	433	549	1393	1393	1494	1507	1507
HJR	**18**	128	178	535	535	612	924	925	1494	1507	536, 925, 1507
HR	**19**	131						131			
HR	**20**	129						129			

SR	21	Extending sympathy to Representative Clarence R. Miller. (Ray, Rausch, Burke, Farmer, Steiger, Baumgardner, Crecelius, Walsh, Anderson)
HJR	22	Making an appropriation for legislative employees. (Everett)
HCR	23	Recognizing Greek Orthodox Church as a major religion in Kentucky. (Lowman)
HJR	24	Requesting Department of Fish and Wildlife Resources to change squirrel season. (Sowards, H. Nick Johnson)
HCR	25	Memorializing Congress to maintain tobacco support price. (Mackey, Hinkle)
HJR	26	Furnishing **Legislative Record** to state colleges and universities; making an appropriation. (Huddleston)
HJR	27	Directing Legislative Research Commission to study the laws of attachment, making an appropriation. (Isler)
HR	28	Rescinding appointment of legislative employees. (Hislope)
HCR	29	Adjourning from January 29 to February 3 in memory of Franklin D. Roosevelt. (Rayburn)
HCR	30	Memorializing Congress to provide flood control for Big Sandy River. (Sowards)
HJR	31	Authorizing M. C. Webb to sue the state. (Coffey)
HR	32	Congratulating Kenton County on 118th Anniversary. (Kingsbury, Fitzpatrick, Isler, Cottengim)
HCR	33	Providing for joint committee to inspect penal and mental institutions; emergency. (Chaudoin, Casey)
HJR	34	Directing Legislative Research Commission to study education of exceptional children; making an appropriation. (Lovelace, McReynolds, Hinkle)
HR	35	Directing the Judiciary Committee to investigate legislative employees. (Ray, M. W. Cook)
HJR	36	Authorizing William E. Scent to sue the state. (Buchanan, Young, Kubale)
HJR	37	Requesting Department of Fish and Wildlife Resources to change quail season. (Render, Stith)
HJR	38	Directing Commission on Alcoholism to study establishment of state sanitorium. (Henry)
HR	39	Directing Commissioner of Highways to report on federal interstate highway program. (Kingsbury)
HCR	40	Inviting Douglas MacArthur to address General Assembly. (Hislope, C. R. Reynolds, Burress, Rausch, Sowards)
HJR	41	Making an appropriation for Lincoln Sesquicentennial. (Reed, M. W. Cook)
HCR	42	Memorializing Congress to canalize Big Sandy River. (Greene)
HCR	43	Congratulating "The Escorts." (McCallum, McGuire, Williams)

		Introduced	Referred	Reported	Readings			Adopted	Senate Message	Enrolled	Other Action
					1st	2nd	3rd				
HR	**21**	132									
HJR	**22**	134	134	135	136	167		179	215	215	
HCR	**23**	134						134	285		
HJR	**24**	134	178								
HCR	**25**	135						135	285		
HJR	**26**	156	178								
HJR	**27**	167	178								
HR	**28**	167									
HCR	**29**	161						161	184		
HCR	**30**	172						172	285		
HJR	**31**	183	196	526	532	612					
HR	**32**	171						171			
HCR	**33**	183	196	577	586	623	1389				
HJR	**34**	183	196								
HR	**35**	191	196								
HJR	**36**	192	196	276	280	286	550	551	1494	1507	1507
HJR	**37**	192	196								
HJR	**38**	192	196								
HR	**39**	186	196								
HCR	**40**	194						194	285		
HJR	**41**	214	274	301	301	368	471	471			
HCR	**42**	195						195			
HCR	**43**	196						196	285		

HJR	**44**	Authorizing Jack Adams to sue the state. (Bach, Hale, Dempsey, Sowards, R. Reynolds)
HJR	**45**	Authorizing Andrew, Cecil, and T. W. Taylor to sue the state. (Billington)
HJR	**46**	Authorizing Paul Gilliam to sue the state. (Billington)
HJR	**47**	Authorizing A. A. Forcum to sue the state. (Clore)
HCR	**48**	Memorializing Congress to provide minimum dairy support price. (Newberry)
HR	**49**	Commending Dunne Press and Legislative Research Commission for prompt printing of bills. (Cottengim)
HR	**50**	Condemning attempts to coerce legislative employees. (Buchanan, H. N. Johnson)
HCR	**51**	Petitioning Interstate Commerce Commission to re-establish standards of time. (Buchanan)
HCR	**52**	Commemorating 150th birthday of Abraham Lincoln. (Bartley, Brown, Buchanan, Buckner, Burress, Coffey, M. W. Cook, P. W. Cornett, W. F. Davis, Dempsey, Duff, Gay, Hislope, Hodges, Howard, H. N. Johnson, Peace, Qualls, Rayburn, Render, C. R. Reynolds, Sowards, Whitehead, Willen, Wirsch)
HR	**53**	Directing Legislative Research Commission to study home for illegitimate children. (Hislope, Barton, Howard)
HR	**54**	Directing Public Service Commission to investigate certain utility practices. (Weintraub, Isler, Wirsch, Cottengim, Fitzpatrick)
HJR	**55**	Authorizing Arnie Brown to sue the state. (Lovelace)
HJR	**56**	Authorizing G. G. Milner and Effie Lee Milner to sue the state. (Lovelace)
HCR	**57**	Requesting Civil Aeronautics Board to consider scheduled airline service to Frankfort. (Cottengim)
HJR	**58**	Authorizing James Burdette to sue the state. (Gay)
HR	**59**	Extending sympathy to family of Judge Joseph P. Goodenough. (Kingsbury)
HR	**60**	Requesting Governor to proclaim December 12 as "Kentucky Day."
HJR	**61**	Directing Legislative Research Commission to study mosquito control. (Arnold, Fitzpatrick, Cottengim, Isler, Wathen, McCallum, Hopkins, Barton, E. E. Cook, Billington)
HR	**62**	Congratulating city of Covington on obtaining Glenn L. Lovern as city manager. (Lowman, Cottengim, Isler, Kingsbury, Fitzpatrick, Weintraub)
HJR	**63**	Directing Legislative Research Commission to formulate plan for placing staff under merit system. (Ray)
HR	**64**	Directing House committees to consider including Spanish American War veterans in bonus legislation. (Wirsch)

		Introduced	Referred	Reported	Readings			Adopted	Senate Message	Enrolled	Other Action
					1st	2nd	3rd				
HJR	**44**	214	274	876	908	920					
HJR	**45**	215	274								
HJR	**46**	215	274								
HJR	**47**	224	274								
HCR	**48**	262						262	292		
HR	**49**	266						266			
HR	**50**	267						267			
HCR	**51**	267	275	598	610	623					
HCR	**52**	268						268			
RH	**53**	272						272			
HR	**54**	273						273			412
HJR	**55**	291	308	876	911	920					
HJR	**56**	291	308								
HCR	**57**	291	308	526	528	612					
HJR	**58**	291	308	526	533	612					
HR	**59**	292						292			
HR	**60**	293						293			
HJR	**61**	293	317								
HR	**62**	304						304			
HJR	**63**	310	317								
HR	**64**	311						311			

HCR	65	Adjourning on February 19. (Everett)
HR	66	Memorializing Congress to oppose tariff on Irish tweeds. (Fitzpatrick)
HR	67	Extending sympathy to Representative Huston (Jack) Johnson. (Cottengim)
HCR	68	Directing Public Service Commission to relieve Middlesboro gas shortage. (Buchanan, Sowards, H. N. Johnson, Duff)
HR	69	Inviting Governor to open highway bond bids in the House chamber. (Everett)
HR	70	Adjourning on February 20. (Ray, Anderson, Burke, Rausch, Steiger, Baumgardner, Walsh, Crecelius)
HR	71	Requesting state college at Mt. Vernon. (Whitehead, P. W. Cornett, Brown, Hislope, Coffey, Peace, Dempsey, C. R. Reynolds, Duff, Wilson, Howard, Ford, Young, Sowards, Tinsley)
HR	72	Directing Department of Conservation to develop state park at Rough River Dam. (Render)
HR	73	Favoring Pioneer Playhouse as state theater. (Kubale)
HJR	74	Changing name of Dewey State Park. (Sowards, Hale, Hall)
HJR	75	Authorizing William L. Brasher to sue the state. (E. E. Cook)
HJR	76	Directing payment of a claim of Rocky Creek Lake Club. (Hahn, Finney, Young)
HCR	77	Extending condolences to family of J. B. Wells, Sr. (C. R. Reynolds)
HCR	78	Urging Congress to remove limits on matching old age assistance funds. (Bill Cornett)
HJR	79	Directing Public Service Commission to investigate certain gas price variances. (Bill Cornett)
HJR	80	Authorizing J. C. Metz and Martha Metz to sue the state. (Fitzpatrick)
HCR	81	Expressing appreciation for prayer fellowship breakfasts. (Willen, Richards, Coffey, Bartley, Ford, Hislope, Newberry)
HJR	82	Authorizing Edgar Osborne to sue the state. (Sowards, Smith)
HJR	83	Authorizing Mrs. Jewel Dye to sue the state. (M. W. Cook)
HCR	84	Memorializing Congress to expedite dam on Cumberland River at Bunche's Creek. (Peace, McGuire, P. W. Cornett, Hislope, Brown, Gay, Sowards, Coffey, Burress, Johnson, Dempsey, Duff, Buckner, Buchanan, Rayburn, Qualls, Render, C. R. Reynolds, Willen, Whitehead, Wirsch, Hodges)

		Introduced	Referred	Reported	Readings			Adopted	Senate Message	Enrolled	Other Action
					1st	2nd	3rd				
HCR	**65**	311						311	374		
HR	**66**	312						312			
HR	**67**	313						313			
HCR	**68**	316						316			
HR	**69**	373									
HR	**70**	413						413			
HR	**71**	426	472								
HR	**72**	426	472	577	581	623					
HR	**73**	426	473								
HJR	**74**	426	472	567	575	623					
HJR	**75**	426	472	526	527	612					
HJR	**76**	473	553	577	582	623					
HCR	**77**	429						429			
HCR	**78**	473	553								
HJR	**79**	474	553								
HJR	**80**	474	472	526	526	612					
HCR	**81**	477						477	874		
HJR	**82**	552	622	876	903	920		935			
HJR	**83**	552	622								
HCR	**84**	554						554	874		

HCR	85	Memorializing Congress for flood control on Rockcastle River. (C. R. Reynolds, Whitehead, P. W. Cornett, Parrish, Hahn, Steiger, Wirsch, Hodges, Buchanan, Breckinridge, Hislope, Dempsey, Rayburn, Render, Burress, W. F. Davis, Gay, Coffey, Peace, M. W. Cook, Bartley, Duff, Willen, Wathen, Walsh, Lowman, Moore, Williams, Burke, Billington, P. F. Davis, Chaudoin, Combs)
HJR	86	Authorizing David C. Walls to sue the state. (Stith)
HCR	87	Petitioning federal government to study highway fills for water impoundment. (Stith)
HR	88	Extending condolences to family of James E. Quill. (Kingsbury, Cottengim, Weintraub, Fitzpatrick, Isler)
HJR	89	Directing Legislative Research Commission to evaluate education foundation program. (Sowards)
HCR	90	Petitioning Congress to reduce age limit for old age assistance. (Duff, Dempsey)
HCR	91	Requesting Historical Society to place plaque on Greensburg Courthouse. (Burress, Rayburn, Buckner, Hodges, Render, Wirsch, P. W. Cornett, Coffey, Peace, Gay, C. R. Reynolds, Newberry, Lyon, Ford, Qualls, Brown, Dempsey, H. N. Johnson)
HR	92	Extending sympathy to people of Floyd County on tragic school bus accident. (Hale, McGuire)
HR	93	Congratulating Central Baptist Hospital. (Hinkle)
HCR	94	Memorializing Congress to extend veterans' benefits. (McGuire, Peace)
HCR	95	Memorializing Congress to designate U.S. 69 as "Amvets Highway." (Peace, McGuire)
HR	96	Urging Department of Fish and Wildlife Resources to control rabid foxes. (Richards)
HJR	97	Directing Legislative Research Commission to study gasoline merchandising; making an appropriation. (Everett)
HJR	98	Authorizing Gerald J. Roche to sue the state. (Ray)
HJR	99	Authorizing Harriet R. Roche to sue the state. (Ray)
HCR	100	Directing Legislative Research Commission to study airlines. (Billington)
HCR	101	Providing for sine die adjournment. (Tanner)
HR	102	Directing Commissioner of Economic Development to furnish economic data. (Kingsbury)
HCR	103	Requesting commission to study medical service plans. (Breckinridge)
HJR	104	Authorizing Jane Roe to sue the state. (Rayburn)
HJR	105	Appropriating $25,000 to Prestonsburg Disaster Committee. (Hall, Lowman)
HJR	106	Authorizing Edward D. Baker to sue the state. (Gay)

		Introduced	Referred	Reported	Readings			Adopted	Senate Message	Enrolled	Other Action
					1st	2nd	3rd				
HCR	85	555						555	874		
HJR	86	613	622	936	981	1389					
HCR	87	621						626	874		
HR	88	618						618			
HJR	89	619						619	1507	1507	
HCR	90	616						616	1507	1507	
HCR	91	617						617	874		
HR	92	615						615			
HR	93	616						616			
HCR	94	632	718								
HCR	95	632	718								
HR	96	632	718								
HJR	97	634									
HJR	98	634									
HJR	99	634									
HCR	100	716									
HCR	101	718									
HR	102	747									
HCR	103	747									
HJR	104	747		750	790	859					
HJR	105	793	793								
HJR	106	794									

HR	107	Inviting J. L. Reynolds and M. W. Davis to address the House. (Buchanan)
HJR	108	Requesting Department of Highways to install guard rails. (Hall)
HCR	109	Authorizing Governor to designate October 31 as Youth Honor Day. (Duff)
HR	110	Extending condolences to Representative Addison L. Everett. (Cottengim)
HJR	111	Making an appropriation for rebinding court record books. (Stith)
HJR	112	Authorizing C. V. Clark to sue the state. (Clore)
HJR	113	Appropriating $20,000 to Prestonsburg Disaster Committee. (Hale)
HR	114	Reprimanding acting majority floor leader. (H. N. Johnson, Duff, M. W. Cook, Reed, Burress, Buckner, Buchanan, R. Reynolds, Bill Cornett, Hart, Dempsey, Peace, C. R. Reynolds, Hall, Sowards, P. W. Cornett, Brown, Hodges, Bartley)
HJR	115	Authorizing estate of Florence Reule to sue the state. (Tinsley)
HR	116	Extending sympathy to family of Mrs. W. P. Hahn. (Young, Wathen)
HCR	117	Urging Congress to expedite dam on Green River at Greensburg. (Burress, Hislope, Greene, Hale, Brown, C. R. Reynolds, McGuire, Young, P. W. Cornett, Dempsey, Coffey, Buckner, Hodges, Kubale, Willen, Rayburn, Duff)
HJR	118	Directing Legislative Research Commission to study plans for chapel in Capitol. (Willen)
HJR	119	Directing Legislative Research Commission to study law of eminent domain. (Lowman)
HR	120	Dedicating March 17 issue of **Legislative Record** to St. Patrick.
HR	121	Honoring City of Hartford on sesquicentennial anniversary. (Render)
HJR	122	Directing an election on the question on the official standard of time. (Breckinridge)
HJR	123	Authorizing a bonus for General Assembly employees. (S. R. Thomas, Wirsch)
HR	124	Memorializing Congress to retain existing time zones. (Stith)
HCR	125	Adjourning from March 14 to March 17. (Fitzpatrick)
HCR	126	Memorializing Congress to permit disposal of surplus property to recreation agencies. (Moore)
HR	127	Authorizing committee to investigate alleged attempts to influence legislation. (Breckinridge, Hislope)

		Introduced	Referred	Reported	Readings 1st	2nd	3rd	Adopted	Senate Message	Enrolled	Other Action
HR	**107**	794									
HJR	**108**	865									
HCR	**109**	797						797	1507		
HR	**110**	796						796			
HJR	**111**	865		876	904	920					
HJR	**112**	865		876	912	920					
HJR	**113**	865		876	882	920					
HR	**114**	870	870								
HJR	**115**	916									
HR	**116**	874						874			
HCR	**117**	875						875			
HJR	**118**	916		936	981	1389					
HJR	**119**	916									
HR	**120**	923						923			
HR	**121**	922						922			
HJR	**122**	926									
HJR	**123**	933									
HR	**124**	933									
HCR	**125**	934									
HCR	**126**	935						1387			
HR	**127**	1386						1386			1445, 1501

HR	128	Urging televising of NCAA basketball tournament. (Kubale, Wilson)
HR	129	Resolving that statue of William S. Taylor be substituted for that of William Goebel. (Hislope)
HR	130	Urging Department of Conservation retention of swimming area policy. (McCallum, Barton, McGuire, Williams, Nunn, Billington, E. E. Cook)
HR	131	Directing Governor to appoint a committee to study medical service plans. (Breckinridge)
HR	132	Extending appreciation to the Speaker, Morris Weintraub. (96 members of the House of Representatives)
HR	133	Commending the Majority Floor Leader, Addison L. Everett. (59 members of the House of Representatives)

		Intro-duced	Re-ferred	Re-ported	Readings 1st	2nd	3rd	Adopted	Senate Message	En-rolled	Other Action
HR	**128**	1471						1472			
HR	**129**	1472									
HR	**130**	1472						1472			
HR	**131**	1490						1490			
HR	**132**	1499						1499			
HR	**133**	1501						1501			

HISTORY OF SENATE BILLS

Numbers refer to page of House Journal. Text of bills is given on 1st reading.

SB	8	Requiring publication of annexation ordinances of fourth class cities.
SB	9	Extending occupational tax rate in first class cities.
SB	13	Abolishing exclusive jurisdiction of county court in juvenile cases.
SB	14	Establishing state park at Bryan's Station.
SB	17	Authorizing cities and counties to establish war memorials.
SB	18	Increasing membership of planning and zoning commission in counties with city of second class.
SB	19	Setting forty hour work week for police in cities of second class.
SB	27	Requiring county clerk to forward election results in multi-county districts to Secretary of State.
SB	28	Extending prohibition against operating motor vehicle without muffler or making unnecessary noise.
SB	31	Opening registration books closed for city election to county residents outside of city.
SB	37	Authorizing the state to acquire local tuberculosis sanatoria.
SB	40	Establishing Elizabethtown State College.
SB	42	Establishing a tobacco research project in University of Kentucky, College of Agriculture; making an appropriation.
SB	43	Authorizing water districts to extend gas distribution systems.
SB	45	Authorizing the state to procure and rent voting machines.
SB	46	Increasing pay of guards for safekeeping prisoners.
SB	47	Requiring open meetings of all public agencies.
SB	49	Creating a State Board of Physical Therapy; penalties.
SB	50	Requiring specified life insurance policy provisions relating to suicides and refunds.
SB	51	Directing issuance of license to practice law to law school graduates, veterans of World War II or Korean Conflict.
SB	60	Permitting banks to remain open on specified legal holidavs.
SB	62	Relating to obstructing view in motor vehicle, setting windshield wiper requirements.
SB	65	Prohibiting rebates between florists and funeral directors.
SB	67	Prohibiting fire insurance contracts requiring institution of action in less than five years.
SB	71	Requiring recorded endorsement of vehicle sales receipt, increasing clerk's fee.
SB	73	Retaining seniority of teachers doing defense work.
SB	75	Changing terms of court in the 46th Judicial District.
SB	77	Licensing motor scooters; transferring vehicle operators licensing to Department of Revenue.

		Senate Message	Re-ferred	Re-ported		Readings		En-rolled	Other Action
					1st	2nd	3rd		
SB	8	375	412	937	1069	1389			
SB	9	614		635	662	742	920	1386	920, 921
SB	13	292	317	937	1069	1389			
SB	14	712		937	1070	1389	1522	1523	
SB	17	285	317	492	492	612			
SB	18	185	274	937	1070	1389			
SB	19	185	274	322, 937	323	411	628		554, 556, 621, 628
SB	27	226	275	536	541	612			
SB	28	285	317	411	1071	1389	1507	1514	
SB	31	226	275	536	540	612			
SB	37	262	274	494	520	612			
SB	40	374	412	451	454	550			
SB	42	374	411	937	1072	1389			
SB	43	285	317	882	876	920	1486	1497	
SB	45	476	553	937	1072	1389			
SB	46	292	317	937	1074	1389			
SB	47	614		937	1074	1389			
SB	49	271	317	494	521	612	742		
SB	50	271	317	937	1076	1389			
SB	51	476	553	876	883	920	1478	1499	884, 1479, 1480, 1489
SB	60	292	317	402	402	420	1466	1477	1466, 1467, 1468
SB	62	374	412	937	1076	1389			
SB	65	614		937	1077	1389	1508		
SB	67	292	317	937	1077	1389			
SB	71	719		937	1078	1389	1482	1499	
SB	73	262	274	937	1078	1389			
SB	75	285	317	456	460	550	1466	1470	
SB	77	311	412	937	1079	1389			1521

SB 80	Relating to assessments for sewer line improvements in cities of second to sixth classes.
SB 81	Defining trailer coach parks.
SB 84	Providing for inspection of public records; penalties.
SB 85	Changing the computation of statutory periods of time.
SB 86	Authorizing group life insurance for church congregations.
SB 88	Changing appeals from Board of Claims to circuit court where action arose.
SB 92	Relating to powers and duties of local health departments; penalties.
SB 93	Changing requirements relating to vital statistics.
SB 94	Changing administration of registration of births and deaths.
SB 95	Prohibiting sale, distribution or transportation of misbranded hazardous substances; penalties.
SB 97	Relating to safety approval and licensing of hospitals, nursing homes, homes for invalid and aged; penalties.
SB 99	Setting requirements for sale, manufacture, dispensing or administration of barbiturates; penalties.
SB 101	Regulating trafficking in narcotic drugs, providing heavy penalties.
SB 103	Establishing a rural dental scholarship fund; making an appropriation.
SB 104	Authorizing medical aid to indigent persons.
SB 106	Authorizing law libraries in counties with city of third or fourth class.
SB 107	Providing increased retirement and disability payments to teachers.
SB 108	Stipulating authorized investments for Teachers Retirement System funds, providing for salary of board secretary.
SB 115	Authorizing cities and counties to establish a park, playground and recreation system.
SB 116	Authorizing fiscal courts to delegate authority over public forests.
EB 117	Providing for assessments for sewer district purposes; penalties.
SB 118	Requiring parents to post bond to cover actions of probated juveniles.
SB 119	Relating to sewer assessments and services in county with city of first class.
SB 120	Increasing to four the number of commissioners in city manager cities of third class.
SB 122	Reorganizing child welfare services.
SB 128	Authorizing dental service plan corporations.
SB 130	Requiring rest periods for working females; penalties.
SB 133	Changing terms of court in the 34th Judicial District.

	Senate Message	Referred	Reported	Readings			Enrolled	Other Action
				1st	2nd	3rd		
SB 80	614		937	1083	1389	1483	1499	
SB 81	285	317	494	525	612			
SB 84	424	472	937	1084	1389			
SB 85	262	274	937	1084	1389			
SB 86	420	472	937	1085	1389			
SB 88	614		937	1085	1389			
SB 92	285	317	937	1086	1389	1505	1513	1514
SB 93	874		937	1090	1389	1505	1513	
SB 94	285	317	494	494	612	1505	1513	
SB 95	874		937	1091	1389			
SB 97	476	553	937	1094	1389			
SB 99	476	553	937	1099	1389	1506	1513	
SB 101	476	553	937	1102	1389	1506	1513	
SB 103	476	553	937	1109	1389	1440	1470	
SB 104	935							
SB 106	285	317	937	1110	1389	1485	1499	
SB 107	262	274	294	294	368	421	424	
SB 108	262	274	294	298	368	420	424	
SB 115	375	412	937	1112	1389			
SB 116	614		937	1114	1389			
SB 117	375	412	937	1116	1389			
SB 118	285	317	937	1119	1389			
SB 119	375	412	937	1119	1389			
SB 120	614		937	1121	1389	1482	1499	
SB 122	476	553	937	1122	1389			
SB 128	750		937	1130	1389	1484	1499	
SB 130	420	472	937	1124	1389	1521		
SB 133	285	317	456	460	550	793		

SB 136	Permitting regulated firing of black powder in underground coal mines.
SB 137	Broadening powers of boards of chambers of commerce.
SB 138	Creating Milk Marketing and Antimonopoly Commission, providing for licensing and regulation of marketing practices; penalties.
SB 141	Declaring the state cigarette tax to be a levy on the consumer.
SB 142	Prohibiting cremation without a coroner's certificate; penalty.
SB 144	Providing for payment of expenses of court reporters.
SB 145	Requiring Workmen's Compensation Board to furnish certificate of an injury report.
SB 146	Authorizing closing of public offices in counties with city of first three classes.
SB 149	Transferring Glasgow to the third class of cities.
SB 153	Increasing pay of tax supervisors.
SB 154	Changing rate of discount of future workmen's compensation payments.
SB 155	Changing interest rate chargeable by small loan companies.
SB 158	Changing terms of court in the 41st Judicial District.
SB 162	Authorizing public street lighting districts with authority to levy tax on property.
SB 163	Authorizing free hunting or fishing licenses for disabled veterans.
SB 166	Setting Commonwealth policy to encourage nuclear development.
SB 167	Authorizing residents of military establishments to adopt children; emergency.
SB 168	Regulating independent business schools; penalty; emergency.
SB 169	Adopting the Uniform Commercial Code.
SB 176	Prohibiting post-mortem examinations except with specified consent; penalty.
SB 181	Providing for allocation of construction costs of railroad-highway crossing; requiring maintenance by governmental units.
SB 189	Authorizing state educational institutions to finance new buildings by bonds payable from revenues of any buildings.
SB 191	Authorizing three additional commissioners for Court of Appeals.
SB 192	Enacting the Uniform Criminal Extradition Act.
SB 193	Increasing jurisdiction of Board of Claims to $15,000.
SB 194	Enacting a new law to govern fraternal benefit societies.
SB 195	Changing qualifications of city attorney in cities of fourth class.
SB 199	Authorizing water district payments to US Farmers Home Administration.

	Senate Message	Referred	Reported		Readings		Enrolled	Other Action
				1st	2nd	3rd		
SB 136	374	412	937	1125	1389			
SB 137	719		937	1127	1389			
SB 138	476	553	876	889	920	1468	1470	
SB 141	311	411	937	1132	1389			
SB 142	921		937	1132	1389			
SB 144	476	553	876	884	920	1492	1501	
SB 145	874		937	1134	1389			
SB 146	874		937	1134	1389			
SB 149	614		937	1134	1389			
SB 153	614		937	1135	1389			
SB 154	476	553	937	1135	1389			
SB 155	420	472	937	1135	1389			
SB 158	476	553	937	1136	1389			
SB 162	631		937	1137	1389			
SB 163	614		937	1140	1389			
SB 166	614		937	1140	1389	1483	1499	
SB 167	476	553	937	1145	1389	1486	1499	
SB 168	476	553	937	1145	1389	1483	1499	
SB 169	614		937	1148	1389	1469	1499	
SB 176	476	553	937	1311	1389	1493	1501	
SB 181	614		937	1312	1389	1469	1470	
SB 189	614		937	1313	1389	1487	1499	
SB 191	614		937	1315	1389	1476	1499	
SB 192	614		937	1315	1389			
SB 193	614		937	1323	1389			
SB 194	874		937	1324	1389	1515		
SB 195	614		937	1351	1389	1514	1520	
SB 199	719		936	982	1389			

SB 200	Authorizing Public Service Commission to relieve gas shortages.
SB 201	Changing name of Kentucky Disabled Ex-Service Men's Board to Veteran's Affairs Commission.
SB 202	Placing Geological Survey under an independent director.
SB 203	Changing law relating to Water Pollution Control Commission, members and employees.
SB 204	Creating a Tobacco Auction Warehouse Board, specifying fees, duties and procedures; penalty.
SB 208	Prohibiting contract denying beneficiary right to choose physician; penalties.
SB 209	Transferring West Point to the fifth class of cities.
SB 212	Creating a Water Resources Study Commission.
SB 213	Permitting withdrawal from a watershed conservancy district.
SB 217	Permitting withdrawal from water districts.
SB 220	Requesting flag display on Grandfather's Day.
SB 222	Authorizing adults, or their successors, to dispose of body for scientific study.
SB 227	Repealing required distribution of Acts of Congress.
SB 229	Changing compensation of justices of the peace for hearing criminal cases.
SB 233	Relating to jurisdiction of juvenile session of county courts, providing for probation of children; penalty; emergency.
SB 235	Changing the requirements with respect to licensing, recording of liens, and registering of motor vehicles; increasing clerk's fee; making an appropriation.
SB 236	Permitting suspension of veterinarian license for failure to conform with code of ethics.
SB 237	Crediting members of Kentucky Employees Retirement System for wartime service.
SB 242	Providing for compulsory poliomyelitis vaccination of children.
SB 243	Authorizing Court of Appeals to provide for appeals in civil matters not as of right.
SB 244	Extending public projects authorized for acquisition and bond issue to include those used by United States Government.
SB 248	Providing for transferring of teacher service credits.
SB 250	Excluding officers and employees performing proprietary functions from compensation limitations.
SB 255	Enacting the Uniform Gifts to Minors Act.
SB 258	Establishing a statewide system of forest-fire protection, providing for local tax levy.
SB 259	Prohibiting circulation of subversive literature; penalty.
SB 264	Setting maximum per diem for city councilmen.

	Senate Message	Re-ferred	Re-ported	Readings			En-rolled	Other Action
				1st	2nd	3rd		
SB 200	375	411	430	435	549	859	875	
SB 201	921		936	983	1389			
SB 202	719		936	983	1389	1496	1507	
SB 203	719		936	984	1389	1496	1507	
SB 204	1405		1410	1410	1476	1489	1501	
SB 208	631		875	878	920			
SB 209	614		936	985	1389	1508	1514	
SB 212	869		936	986	1389	1497	1507	
SB 213	869		936	986	1389	1497	1507	
SB 217	935		937	1377	1389	1485	1499	1485
SB 220	614		936	987	1389			
SB 222	719		936	987	1389	1506	1513	
SB 227	719		936	988	1389			
SB 229	874		936	988	1389	1469	1477	1470
SB 233	719		936	989	1389	1508		1508, 1509
SB 235	869		936	995	1389	1486	1499	
SB 236	719		936	1000	1389			
SB 237	719		937	1001	1389	1492	1501	
SB 242	796		937	1001	1389			
SB 243	750		937	1001	1389	1502	1513	
SB 244	796		937	1002	1389	1484	1499	
SB 248	921		937	1002	1389			
SB 250	1445		1446	1446	1476	1509	1514	
SB 255	750		937	1003	1389	1502	1513	
SB 258	869		937	1008	1389			
SB 259	874		937	1012	1389			
SB 264	921		937	1012	1389	1509	1514	

SB 267	Permitting policemen, other than in cities of first and second classes, to accept outside jobs.
SB 268	Providing increased tax credits for victims of crippling diseases.
SB 273	Relating to newspaper publication of legal notices, requiring certain matters to be published; penalties.
SB 280	Conferring upon State Property and Buildings Commission exclusive power to borrow money, issue and sell revenue bonds for state agency purposes.
SB 281	Removing restriction on payment of Confederate widows pension.
SB 285	Exempting local delivery service from carrier requirements.
SB 286	Adopting Tennessee River Basin Water Pollution Control Compact.
SB 287	Creating a criminal code committee to study recodification; making an appropriation.
SB 290	Authorizing Legislative Research Commission to set fees for publications.
SB 291	Relating to informational copies of administrative regulations.
SB 296	Amending Constitution to authorize bonds for veterans bonus.
SB 298	Increasing period for county clerk to report motor vehicle license fees.
SB 300	Establishing State Archives and Records Commission.
SB 302	Restricting establishments on rights-of-way on federal interstate system.
SB 303	Authorizing Department of Highways to maintain entrances to schools, churches and cemeteries.
SB 307	Increasing compensation of elected state officials.
SB 308	Changing requirements relating to articles of incorporation.
SB 309	Creating a State Division of Recreation, specifying powers and duties, authorizing acquisition of property.
SB 310	Restricting courts in the entering of filing away orders.
SB 313	Authorizing fiscal courts to levy land tax for conservation purposes.
SB 314	Setting forty hour work week for firemen in cities of second class.
SB 315	Creating Industrial Development Finance Authority, authorizing loans for industrial buildings and projects.
SB 317	Authorizing members of General Assembly to join state employees retirement system, making an appropriation.
SB 318	Authorizing night horse races.
SB 319	Removing restrictions on investment requirements of state employees retirement system.
SB 321	Authorizing accident insurance to cover state employees; emergency.

	Senate Message	Re-ferred	Re-ported	Readings 1st	2nd	3rd	En-rolled	Other Action
SB 267	921		937	1013	1389			
SB 268	1445		1446	1446	1476			
SB 273	869		937	1014	1389	1476	1499	
SB 280	874		937	1022	1389			
SB 281	869		937	1024	1389	1510	1514	
SB 285	874		937	1025	1389	1483	1499	
SB 286	921		937	1026	1389	1502	1513	
SB 287	921		937	1033	1389	1502	1513	
SB 290	869		937	1034	1389	1502	1513	
SB 291	921		937	1034	1389	1502	1513	
SB 296	1445		1446	1448	1476	1491	1501	1491
SB 298	1445		1446	1449	1476			
SB 300	874		937	1035	1389	1504	1513	
SB 302	1405		1410	1414	1476			
SB 303	921		937	1042	1389			
SB 307	921		937	1043	1389	1504	1513	
SB 308	929		937	1044	1389	1510	1514	
SB 309	921		937	1046	1389	1497	1507	
SB 310	929		937	1049	1389			
SB 313	1445		1446	1450	1476	1498	1507	
SB 314	935		937	1378	1389	1484		1484, 1487, 1488
SB 315	929		937	1049	1389	1493	1507	
SB 317	1405		1410	1415	1476	1492	1501	
SB 318	929		937	1056	1389	1468	1470	
SB 319	929		937	1056	1389	1510	1514	
SB 321	929		937	1057	1389	1477	1499	

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SB 336	Making an appropriation for county roads and bridges.
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SB 344	Relating to regional planning.
SB 345	Authorizing fiscal courts to establish flood-plain zoning.
SB 348	Providing immediate payment of teachers' death benefits.
SB 349	Broadening powers and duties of Department of Aeronautics.
SB 350	Extending judgment of no jurisdiction to quasi-judicial tribunals; emergency.
SB 351	Changing procedures relating to absent voting.
SB 355	Reviser's bill to correct errors in **Kentucky Revised Statutes.**

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SB 326	929		937	1058	1389			
SB 328	1445		1446	1451	1476	1510	1514	
SB 329	929		937	1058	1389			
SB 335	935		937	1354	1389	1466	1470	
SB 336	1405		1410	1416	1476			
SB 342	1445		1446	1451	1476			
SB 343	933		937	1067	1389	1440		1440, 1441, 1442, 1443, 1444, 1445
SB 344	1445		1446	1451	1476			
SB 345	935		937	1355	1389			
SB 348	1405		1410	1417	1476	1491	1501	
SB 349	935		937	1355	1389	1515	1520	
SB 350	1445		1446	1454	1476	1510	1514	
SB 351	1405		1410	1417	1476	1516		1516, 1522, 1523
SB 355	1445		1446	1455	1476	1504	1513	

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SCR	6	Adjourning from January 8 to January 13.
SCR	7	Declaring proposed Jessamine Creek Dam contrary to interest of Kentucky.
SJR	8	Authorizing Norman Gnau and insurers to sue the state.
SJR	9	Directing Legislative Research Commission to evaluate the education foundation program; making an appropriation.
SCR	10	Petitioning President of United States to review court martial sentence of Colonel John C. Nickerson.
SJR	14	Directing Legislative Research Commission to study fee system.
SJR	15	Directing Legislative Research Commission to study science curricula.
SCR	16	Directing Department of Highways to seek U. S. designation for KY 15.
SCR	19	Memorializing Congress to refund $1.50 of whiskey excise to the state.
SJR	20	Authorizing Helen Klinglesmith to sue the state.
SCR	21	Memorializing Congress to change public assistance category to "permanent or total."
SCR	25	Commemorating Alben William Barkley.
SCR	27	Designating portion of KY 15 as "Trail of the Lonesome Pine."
SCR	28	Memorializing Congress to repeal wartime transportation taxes.
SCR	29	Requesting establishment of state park at Buckhorn Reservoir.
SR	32	Congratulating Kenton County on 118th Anniversary.
SCR	34	Directing Legislative Research Commission to study state purchase of dam sites.
SCR	35	Urging a College of Mines at University of Kentucky.
SJR	36	Authorizing suit against state in interest of Andrew, Cecil, and T. W. Taylor.
SJR	37	Authorizing William E. Scent to sue the state.
SCR	39	Directing Legislative Research Commission to study the state tax structure.
SJR	40	Authorizing Charles C. Gross to sue the state.
SCR	41	Adjourning from February 11 to February 17.
SCR	43	Designating Joseph William Wells as poet laureate.
SCR	45	Urging support of civil defense volunteer units.
SCR	47	Setting joint session to hear S. R. Sapirie.

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SCR 7	36			52			54		
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SJR 9	750		1410	1425	1476				
SCR 10	103			103			104		
SJR 14	874		1410	1426	1476				
SJR 15	1405		1410	1427	1476				
SCR 16	104						110		
SCR 19	129						129		
SJR 20	292	317	526	529	612				
SCR 21	129						130		
SCR 25	170						170		
SCR 27	158						159		
SCR 28	158						159		
SCR 29	158						160		
SR 32	185								
SCR 34	874		1410	1428	1476				
SCR 35	193						314		
SJR 36	614		876	909	920				
SJR 37	631		1410	1428	1476				
SCR 39	285						315		
SJR 40	614		1410	1429	1476				
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SCR 43	874		1410	1430	1476				1521
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SCR	48	Directing Legislative Research Commission to continue study of judicial system.
SJR	50	Directing Legislative Research Commission to study model state banking code; making an appropriation.
SJR	51	Directing Legislative Research Commission to study uniform title law; making an appropriation.
SJR	52	Directing Legislative Research Commission to study merit system for state employees; making an appropriation.
SCR	53	Extending invitation to Yarborough School of Dance.
SJR	56	Directing Legislative Research Commission to study metropolitan government; making an appropriation.
SCR	57	Extending condolences to family of J. B. Wells, Sr.
SCR	58	Memorializing Congress to lower retirement age.
SJR	61	Directing payment of a claim of Homer A. Spillman.
SR	63	Requesting Department of Economic Development to study coal resources.
SJR	68	Authorizing Harriet R. Roche to sue the state.
SJR	69	Authorizing Gerald J. Roche to sue the state.
SCR	71	Providing for joint session on March 17.
SCR	73	Memorializing Congress to refrain from placing tolls on waterways.
SCR	79	Directing Legislative Research Commission to study airlines; making an appropriation.
SCR	82	Providing for sine die adjournment.
SCR	84	Directing Legislative Research Commission to study library service.
SCR	89	Directing erection of marker at site of Floyd County school bus disaster.
SCR	98	Designating KY 55 as "Sergeant York Trail."
SCR	99	Designating KY 55 as "Wolf Creek Dam Highway."

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SCR	53	614						629		
SJR	56	869		876	885	920		1521	1523	
SCR	57	476								
SCR	58	874		1410	1433	1476				
SJR	61	869		1410	1434	1476		1493	1501	
SR	63	874		1410	1435	1476				
SJR	68	1405		1410	1436	1476				
SJR	69	1405		1410	1436	1476				
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SCR	89	921		1410	1439	1476				
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